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FDP GRASSROOTS CRITICIZE GENSCHER ON TNF

Hamburg DER SPIEGEL in German 30 Mar 81 pp 24-25

[Article: "Difficult Times"]

[Text] Minister of Foreign Affairs Genscher shares the lot of the chancellor: As is the case with the comrades, there is also growing resistance to counterarming among the liberals.

FDP Chief Hans-Dietrich Genscher followed the activities of his liberal party friends in Bonn with suspicion even while he was in Warsaw. The distrustful minister of foreign affairs sent Hildegard Hamm-Bruecher, his minister of state, on a special mission to the Hotel Rheinland in Bad Godesberg.

The reason was a meeting at that location on Friday the week before last by seven members of the FDP federal special committee on foreign affairs to prepare a proposal for disarmament and detente to be presented at the May party meeting in Cologne. The "chaperon" dispatched by Poland-visitor Genscher was to find out whether the group intends to cause trouble for the chairman.

The nervousness of the top liberal is understandable. The person who is presiding over the club of seven is William Borm, 85, the senior member of the party who at the end of February had publicly reprimanded the minister of foreign affairs: In his opinion, the "hasty rejection" of CPSU Chief Leonid Brezhnev's offer to halt the installation of new medium-range missiles as long as negotiations on the limitation of these systems are in progress is "almost impossible to support."

Since then, Borm has not left his party chairman alone. At the beginning of March, during the federal congress of young democrats in Leverkusen, he warned: "The FDP, which at one time was critical of nuclear arms on principle, must not today become a party that supports nuclear rearming."

During a session in Berlin of the federal executive committee, the troublesome radical leftwing liberal voted on Monday the week before last against a Genscher paper concerning security policies. The reason: Unlike Borm, the FDP leadership did not want to give priority to disarmament negotiations over NATO counterarming.

Finally, last Thursday, the Genscher opponent was stirring up things at the party grassroots. He sent an appeal to a thousand of his followers challenging them to flood the federal party meeting with critical proposals concerning the foreign policy of the FDP chief.

A model proposal and argumentation aid was submitted right away by the old independent fighter. According to Borm: "Whoever does not put the Soviet negotiation proposal to the most strenuous test, whoever rejects it untested, arouses the suspicion that he does not want to negotiate but that he wants to arm at any price."

There are others within the FDP who harbor the same suspicion: In Freiburg and Kiel, in the northern Black Forest and in the countryside, liberals are registering doubt in the wisdom of their foreign minister.

Leftists are griping that the party chairman had thrown away an opportunity when he rejected Brezhnev's offer. And following Genscher's acquiescent addresses to Washington, where the NATO double resolution is seen as an authorization for rearmament rather than an obligation to continue serious disarmament negotiations, many Free Democrats and Judes [young democrats] fear that their chairman will be largely responsible for destroying the final remnants of the policy of detente.

Josef Gerwald, the departing FDP speaker and Genscher's intimate friend, is beginning to see the light: "The party is facing difficult times." To date the deputy chancellor has been able to boast that only the Social Democrats were fighting about counterarming. Now he can expect the same discussion in his own party until the Cologne congress.

In Hamburg, Schleswig-Holstein and Lower Saxony, in Bavaria and North Rhine-Westphalia, regional FDP party congresses are making decisions on proposals that demand a correction in the foreign policy course.

Klaus Brunnstein, Hamburg's FDP chairman, for instance, is complaining that in the past the Federal Government did not pay enough attention to disarmament negotiations. His Land Special Committee for Foreign Policy "is asking the minister of foreign affairs to use every available diplomatic means to bring about an immediate resumption of all talks on arms limitation between the United States and the USSR." With this in mind, Brunnstein estimates that the balance of power in his association may even shift far enough that "a reprimand of Genscher might be supported by a large majority."

Bremen's FDP chief Horst-Juergen Lahmann is also pressing for an "even stronger emphasis on the original intention of the resolution, which is to return to disarmament negotiations." Schleswig-Holstein's FDP Land executive committee, which is under the leadership of Uwe Ronneburger, Genscher's vice-chairman, is voicing the concern that the party chairman has already forgotten the FDP election program.

In a paper dealing with peace and security policies, the northerners demand that their own party should stick to its election statements concerning disarmament and rearmament. The liberals had written the following into their platform for the Bundestag election: "The FDP will do everything possible to guarantee that the negotiation offer to the Warsaw Pact which is coupled to the NATO rearmament resolution will be supported energetically. The goal must be to renounce totally the production and stationing of nuclear medium-range weapons on both sides."

Michael Staack and Gerd Frickenhelm of the Lower Saxony FDP Land executive committee are warning in a proposal for their party congress that this obligation is "binding for the governmental activities of the party." In this paper they call "the stationing moratorium proposed by Brezhnev" a step in the right direction. Genscher will have to face the question of whether he is even still serious at all with respect to the negotiations.

Also in the lower party echelons opposition to the chairman is becoming noticeable. The local association of Augsburg City, for instance, as well as the district association of North Black Forest demand that the possibilities of a moratorium be carefully sounded out. And the Duisburg FDP is even demanding an examination of the NATO counterarming resolution and a reduction in armament expenditures "in favor of increased development aid."

Speaker Gerwald reflects on the pressure from below, stating that the number of Genscher critics had not increased; nevertheless, they had become more determined.

The party leadership is employing a proven tactic to prevent the general membership from turning the federal congress, which was planned as a party rally on ecology, into a tribunal on Genscher's security policy: embrace and starve.

The FDP federal executive committee wants to demonstrate its desire for detente with its own leading proposal: On one hand the NATO double-resolution is to be confirmed, on the other hand the necessity of serious disarmament negotiations is to receive a special emphasis. In addition, the FDP leadership would like a demonstrative reaffirmation of the election program demands by the party congress. The executive committee paper is to be mailed to all the delegates as early as the beginning of May.

According to a functionary in Bonn's Thomas-Dehler-Haus, the party leadership has the following hope: "This way everybody will be committed in advance. By the time the party congress begins, the crisis will be dead."

8991
CSO: 3103/276

CONFERENCE AT FOREIGN MINISTRY AIRS NUCLEAR-FREE ZONE

Stockholm DAGENS NYHETER in Swedish 10 Mar 81 p 8

[Article by Harald Hamrin]

> [Text] The attempt to establish a nuclear-free zone in Scandinavia should be coupled with disarmament efforts for Europe in general. They should not be isolated from the latter, since this could have a negative effect on attempts to reduce the weapons arsenals of the superpowers.

This was more or less the general opinion among the Swedish participants in a debate entitled "Nuclear-Free Zone in Scandinavia?" which was held on Monday in Stockholm under the auspices of the Foreign Policy Institute.

Among those participating in the debate were Bjorn Scala, head of disarmament issues at the Foreign Ministry, and Jan Pravoitz, Defense Department expert in disarmament questions.

As the chairman of the discussion pointed out, their participation in Monday's debate made it somewhat of a preview of next week's foreign policy debate in parliament. At that time the government, in its foreign policy statement, is expected to devote much attention to security policy questions, including the question of a nuclear-free zone.

In an extensive introductory statement, Sverre Lodgaard, researcher at the SIPRI peace research institute and member of the Norwegian disarmament delegation, reported on the debate in Scandinavia and especially in Norway. Among other things, he discussed various problems of a political and military nature that are linked with the establishment of a nuclear-free zone in Scandinavia.

In connection with the Norwegian, and to a certain extent the Swedish, debate over the Soviet "partial nuclear-free zone" in return for a possible Scandinavian nuclear-free zone, Lodgaard stated that there should be a reduction or withdrawal of Soviet weapons systems that could be assumed to be aimed primarily at targets in the Nordic countries. According to Lodgaard these weapons systems include, for example, a number of intermediate range rockets that are based on the Kola

Peninsula and in the Leningrad military district. He also included the Soviet so-called Golf II submarines with a total of 18 rockets, which patrol the Baltic Sea.

It would be a gesture of good will from the Soviet Union if these weapons systems could be withdrawn," Lodgaard said.

On the Swedish side, department advisor Bjorn Scala of the Foreign Ministry stressed that a Nordic nuclear-free zone should be created only as an "appendage" to "real disarmament" with respect to the nuclear arsenals of the superpowers. All the Nordic countries, in practice, are already free of nuclear weapons. A formal binding agreement of the actual policies that are already being conducted in Scandinavia is such a sensitive issue that it should not be carried out without having the superpowers make some commitments as well.

"We are touching on issues of such vital interest to the Nordic countries that we should proceed with great caution," Scala said. A Nordic nuclear-free zone, with participation of Denmark and Norway, would mean the creation of categories with NATO, whose consequences for tactics and strategy are unclear.

To a direct question in this regard, Lodgaard stated that Norwegian participation in a nuclear-free zone could have direct consequences for its position within NATO.

"Norway would at least be able to participate in NATO's political organization," he said, but at the same time he pointed out that military cooperation between Norway and the other NATO members would be more doubtful.

Criticism of DAGENS NYHETER

On behalf of the Foreign Ministry, Bjorn Scala also opposed Sweden and Finland's campaigning on their own for a nuclear-free "mini-zone," such as that proposed by Alva Myrdal in DAGENS NYHETER and elsewhere.

"It is doubtful that Sweden could unilaterally make a commitment with a superpower in such as that proposed by Alva Myrdal in DAGENS NYHETER and elsewhere.

"It is doubtful that Sweden could unilaterally make a commitment with a superpower in such an important security policy area," he said.

General Carl Bjoreman, chief of the Southern Military Region and a clever debater in security policy questions, attacked the Swedish mass media, which he criticized for having poor coverage of these questions. Among other things, he criticized DAGENS NYHETER--" a large morning paper in Stockholm"--for not sufficiently analyzing the probability of a nuclear attack against Sweden in an extensive series of articles on nuclear weapons. Bjoreman had previously maintained that the possibility of such an attack on Sweden was allowed to dominate the debate, while the risk of a conventional attack against Sweden was ignored.

9336
CSO: 3109/138

SDP PRESENTS OWN ENERGY PROGRAM, CRITICIZES COALITION'S

Stockholm DAGENS NYHETER in Swedish 12 Mar 81 p 7

[Article by Åke Ekdahl]

[Text] There is a great risk that Sweden will be tying itself down to a dependence on coal instead of its present dependence on oil if the government's energy policy is approved by the Riksdag. This is being said by the Social Democrats who constituted half of the political group backing the victorious line (2) in the referendum 1 year ago.

At a press conference today, Thursday, the Social Democrats will be presenting their alternative in a Riksdag motion, in which the government is being criticized for presenting so-called energy statements--as to how energy is being produced and consumed--without pointing to the society's means of control. The way the government is now proceeding, there is a great risk that they will be concentrating on coal when it comes to replacing the oil by other forms of energy, the Social Democrats say.

The other objection is that the government wants to discontinue its policy by 1990 but does not show what will happen after that time, nor how the use of power should be changed in the future.

The outcome of the referendum should be interpreted in such a way that the power consumption will have to be cut in the future, the Social Democrats state, but the government has not succeeded in coming up with any reliable alternative in this respect.

The Social Democrats are skeptical with regard to coal from an environmental point of view. They oppose coal condensing power plants, one of the reasons being that this is a costly method for generation of electric power. Coal is an alternative only when other energy sources are not available. Furthermore, a total plan is needed for the use of coal.

The government will have to examine the entire coal program, the Social Democrats say, pointing to the environmental hazards that will be threatening

if different authorities in different places are allowed to come up with a coal decision. We may get a lot of small coal plants around the country which together will be causing more pollution than a few big plants, they maintain.

As for the supply of heat to the big cities, the Social Democrats support a continuation of he work on the hot water tunnels from Forsmark to Uppsala/Stockholm and from Barseback to Lund/Malmo.

It is a good idea to accept the higher costs of the 1-year project planning costs and to go on to stage (2) in order to get a better idea of the conditions for hot water supply from the nuclear-power operated hot-water plants. The Forsmark project may be combined with the methanol works at Nynashamn, they state.

The Social Democrats draw attention to the fact that the Riksdag has requested the government to provide guidelines for the hot-water tunnel, and criticizes the government for leaving the entire problem to the municipalities concerned.

Earlier in the year, the Social Democratic Riksdag representatives from Uppsala submitted a motion which, in even clearer terms, stated that the hot-water tunnel from Forsmark ought to be built.

As for the uranium, the Social Democrats have few comments. There is an old congress decision to the effect that Swedish uranium mines may be opened up. In the present case of Pleutajokk, the Social Democrats say nothing.

7262
CSO: 3109

LIBERAL PAPER FAULTS SDP ENERGY PROGRAM

Stockholm DAGENS NYHETER in Swedish 14 Mar 81 p 2

[Editorial by Olle Alsen]

[Text] The Social Democratic Party accuses the government of being split and without power to act on energy policy. It does not indicate any adequate means of cutting the oil consumption nearly in half by the nineties, of keeping the coal consumption on a moderate level, of developing new domestic and renewable energy sources and of liquidating nuclear power by the year 2010 in accordance with the decision taken in the referendum.

But it is the thief himself who shouts: "Seize the thief!" This criticism about a split energy policy, the risk of being tied down to a far too big dependence on electric power and/or coal, a vague uranium policy, etc., etc., is a bit too much, considering that it comes from the party which, to a large extent, has caused the impasse in the energy policy and the illusions.

And which, moreover, through its pretended re-examination after Harrisburg and by calling its big nuclear power plant expansion "liquidation" in Line (2) confused the public and frightened people into believing that serious power shortage, unemployment and dependence on coal would threaten without a lot of additional nuclear power. It now seems that we shall be getting both unneeded nuclear power and be forced to resort to an unnecessarily big consumption of coal in order to get out of it.

There is otherwise quite a lot to the general criticism by the Social Democratic Party. The government has landed in a series of dilemmas without any visible way-out. How is it possible in a short time to cut the oil consumption by 50 percent without merely replacing it by nearly as much imported coal? Indeed, through a very strong emphasis on savings and on the development of domestic, renewable energy sources (peat, energy forests, energy crops, stored solar heat, big heat pump systems, which give three times as much energy as they use, wind power).

One may also concentrate one's efforts to a great extent on district heating from combined power and district heating plants, fired with briquetted peat, coal or other solid fuel, since combined power and district heating plants, like counter-pressure in industry, provide both electricity and heat with big energy efficiency compared with nuclear power plants and condensing power plants which waste three-thirds of the energy.

But how is it possible to stimulate the use of these oil substitutes when, at the same time--on account of a far too big investment in nuclear power plants--one is forced to double the production of electric power, which, in turn, takes away the bigger cities' so-called heat basis for combined power and district heating plants? And is, moreover, forced to price dump electric power and electric heat, so that there will not be sufficient stimulus left for developing the energy sources and effecting the savings which were to make it possible to liquidate at some point the far too large nuclear power capacity.

The equation does not come out. First we have to inflate the consumption of electricity at an enormous rate, although it has stagnated (an annual increase of less than 3 percent in the seventies, zero growth in 1980, a 2 percent drop in the early part of 1981). This in order for the unnecessary expansion of the nuclear power capacity not to become too obvious and in order that at least the relatively low operating costs of the nuclear power plants may be covered.

Then, after 1990, we are to start demolishing all these seemingly inexpensive nuclear power plants. How is that possible?

The Social Democrats point out, and rightly so, that no more than 20-30 terawatt-hours of additional electric power may conceivably come from new combined power and district heating plants which require a large so-called heat basis in the densely populated areas (it will probably be even smaller if the electric power generation is allowed to expand as much as the campaign carried on by the industry seems to have made the government permit). A capacity of 20 terawatt-hours does not go far, considering that it is a capacity of approximately 60 terawatthours of nuclear power that has to be replaced or done without. Wind power might, to a certain extent, save the situation if needed, but the electricity price dumping will probably put a stop to that for a long time.

However, the Social Democrats give almost as few directions as the government as to how to replace the nuclear power. They refer to the so-called liquidation plan which Lina (2) advanced at the end of the campaign and which is no more comprehensible today than it was at the time. As a matter of fact, the Social Democrats say exactly the same things as the government, that it is a question of checking the increase in the power consumption since it was probably stimulated to increase to an unnecessarily high level for the sake of selling the nuclear power. But, dear gentlemen in both camps, it is actually a question of much more than slowing down the increase. It is a question of replacing, in one or, at the most, two decades, half of the inflated power consumption.

And who is politically responsible for this inflated consumption, this dilemma? Indeed, not least the party which is now accusing the government of being split, of lacking means of control, of laxity in connection with the electric power policy, uncertainty with regard to the hot-water tunnels, and uranium mining.

For the Social Democrats are actually more royal than the Conservatives. They even believe that Barseback, out of all disastrous nuclear power plants, might be converted to provide hot water for Malmo. And like Ingvar Carlsson in the Riksdag, they recently succeeded, it seemed, in siding with the environmental movement by accusing the center and others of "failing" in their resistance to uranium mining, while, at the same time, stroking the uranium miners with the fur, both in trade and industry.

That is quite a spectacle. Fortunately, newspapers such as ARBETET (Social Democratic) and FOLKBLADET OSTGOTEN (Social Democratic) are now opposing at least uranium mining, the opposition group SAFE still exists, and party secretary Sten Anderesson's charm offensive to reconquer the environmentalists to the home camp cannot, I suppose, thrive merely on beautiful words. Will the true Social Democratic Party appear in the midst of all these splits and this double talk?

7262
CSO: 3109

TWENTY NEW OIL WELLS FOUND IN GOTLAND LAST YEAR

Stockholm DAGENS NYHETER in Swedish 4 Mar 81 p 56

[Article by Ola Sall]

[Text] For the first time, the Swedish Oil Prospecting Company Inc. is expecting to make a profit. It is this year estimated to be 8-10 million kronor. That figure may be compared with the well over 55 million kronor which have hitherto been invested in the Gotland oil.

Since mid-1977, the prospecting costs have been entirely covered by state grants of 10-20 million kronor annually (the Swedish Oil Prospecting Company Inc. is 62 percent owned by the state-owned Swedish Petroleum Company Inc.).

The scheduled production of 400 cubic meters of oil per week will make the Swedish Oil Prospecting Company Inc. self-supporting but will not pay for earlier prospecting.

By the end of February, the Swedish Oil Prospecting Company Inc. had pumped up 11,203 cubic meters of oil from the Gotland soil since the start in 1975.

Nobody would today venture a guess as to how much oil there may be on Gotland altogether. It is roughly estimated that the Fardum field, which is the area that is the most promising, may give 75,000-100,000 cubic meters of oil.

A borehole costs 100,000-150,000 kronor to make. The technique is all Swedish and, seen from an international point of view, very inexpensive. Compared with the first boreholes on Gotland which were made by means of foreign technology, the costs are today 75 percent lower.

The Gotland oil adventure is today on its way into a decisive period. The Swedish Oil Prospecting Company Inc. will this year drill twenty new holes in its search for oil. The company will invest 2.5 million kronor in a new oil depot at Färosund and will in a few weeks apply for permission to start producing oil commercially.

In late 1981, things will show whether the efforts have been justified. If the new boreholes will not provide the oil hoped for, this will mean the end to all oil prospecting on Gotland.

However, the optimism is great within the Swedish Oil Prospecting Company Inc., which as late as a year ago decided to cover up its boreholes and give up the attempt at making the Gotland oil profitable.

In the last minute, however, they then found oil at Risunge and Fardume in the northern part of Gotland.

The Swedish Oil Prospecting Company Inc. today has great hopes of becoming economically independent by the end of the year.

In a few weeks, the Swedish Oil Prospecting Company Inc. will apply to the Industrial Board for permission to extract oil commercially on Gotland. This as opposed to the present test drillings.

In the spring, ten boreholes will be drilled in the northern part of Gotland and on Fåro. In the fall, another ten holes will be drilled in the southern part of Gotland.

Fardume in the north, where three teams are already at work, is expected to yield the most certain profits. New holes are being drilled to the old ones in a coral reef from the Ordovician period, which is 210 meters deep.

Thick Layer

The reef is circular, with a diameter of 400 meters, and the oil-bearing layer is approximately 10 meters thick.

"I would not venture a guess as to how much oil there is in the reef. But, in any case, there is enough to make the production profitable," says the local manager on Gotland of the Swedish Oil Prospecting Company Inc., Thomas Dahl.

In the course of the winter, the Swedish Oil Prospecting Company Inc. took up 100 cubic meters of oil a week in the whole of Gotland. When such a quantity of oil has been pumped up, the pumps are shut off--there is no space on the island for storing more oil.

The oil has been stored in containers and taken by truck to Visby, where it has been loaded on a cargo ship and shipped over to the refineries at Nynashamn.

In order to be able to pump up the 400 cubic meters of oil which are necessary in order for the extraction to become profitable, the harbor at Färosund where the Swedish Oil Prospecting Company Inc. is building its own oil storage tanks, will now be enlarged. The construction activities are expected to be completed in May. The Swedish Oil Prospecting Company Inc. will then hire a tanker for the oil transports.

"We have been hesitating to expand the harbor earlier as we did not have enough oil. The situation is now different. The quantity we pump up today alone will justify the new harbor at Färosund," says Thomas Dahl.

No North Sea Find

When the prospecting starts, and the construction of the harbor at Fårosund is in full swing, the Swedish Oil Prospecting Co. Inc., which at the moment employs approximately ten people on Gotland, will be providing employment for more than 40 men--a welcome contribution on the island where 2,000 people are either unemployed, or participating in the vocational training courses for the unemployed, organized by the National Swedish Labor Market Board, or doing relief work.

Despite the optimism in connection with the new boreholes, nobody seriously expects any major oil field on Gotland, of the North Sea type, which would make Sweden self-sufficient.

The estimated quantity of oil, 21 million liters annually, will be sufficient to heat 5,200 homes a year. An insignificant quantity by international standards.

Great hopes are instead attached to the Hano Bay off Blekinge. Seismic investigations of the bottom of the sea are in progress and are expected to be completed during the fall. Test drillings are expected to be started in the summer of 1982, at the earliest.

"The Hano Bay is not far from the Polish oil fields. That gives us certain hopes," says Thomas Dahl.

7262
CSO: 3109

GOVERNMENT URGED TO ACT FASTER TO END DEPENDENCE ON OIL FOR HEAT

Stockholm SVENSKA DAGBLADET in Swedish 4 Mar 81 p 2

[Editorial]

[Text] It is only 3 years since the Riksdag decided that Sweden was in 10 years to cut its annual oil consumption by 25 percent, or, expressed in energy terms, by 40 terawatthours (TWh).

The target is now being moved quite a distance further up. According to the proposal by the government, the oil consumption is now to be reduced by 48 TWh. The target in 1978 was ambitious, so ambitious that one doubted its realistic basis. The new target which is now being set is 20 percent more ambitious. The goal is to be achieved in two ways: regular saving and conversion from oil to other energy sources. It is primarily in the residential heating sector that the major efforts at saving energy will have to be made.

In order for this enormous conversion to have a chance of success, the awareness of the target, no matter how great, among politicians and the authorities will not suffice. The decision will rest with the individual energy consumers. Will they be willing to cut their oil consumption and replace it by other systems?

Fortunately, the government has known how to utilize the fairly free market's mechanisms rather than relying on a policy of physical controls.

The force which primarily will be pushing developments in the right direction is the price of oil. Oil will become so expensive that it will be in everybody's interest to escape the dependency as far as is at all possible. Since 1978 alone, the cost of 1 cubic meter of fuel oil has increased from 650 kronor to 1,600 kronor today. And, as is well known, already by 1978, the price had multiplied since the period prior to the first oil crisis in 1973.

It goes without saying that the oil price alone is not decisive to the economic evaluations of the individual consumer. The important thing, of course, is the comparison with alternatives, i.e. the costs of measures of economy, such as insulation, smaller constructions, etc., and the costs of alternative energy systems.

So far it is obvious that the efforts at saving oil are paying off. Consequently, one would also be justified in concluding that special social contributions for energy conservation measures are no longer needed. The savings investment pays for itself in terms of reduced consumer expenditures. However, it will be necessary to help fellow citizens with capital in the form of loans.

When it comes to the transition from oil firing to the use of other forms of energy, the government authorities, of course, have ample possibilities of stimulating, respectively sabotaging, a desirable development by affecting consumer costs by means of taxes or through prohibition.

One should, therefore, be grateful that most of the teeth have now been taken out of the demand for prohibition of direct electric heat which was rashly raised in the campaign prior to the referendum.

As for the future of oil as energy source, we make assumptions as to costs and time. That sooner or later we shall have no oil left to heat our homes is not something that we assume. That we know.

The ultimate question, therefore, is not whether we can make ourselves independent of oil. We have to.

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CSO: 3109

BRIEFS

VOLVO ALTERNATIVE ENERGY STUDY--Volvo Energy Inc. will now start a study of alternative energy sources. Together with a Swiss company, P. Baude & Cie, it will further develop and exploit a new technology for the production of solar cells which convert sunlight into electricity. The invention is based on the thin-film technology, i.e. the solar cells are developed from very thin layers of photoelectrically active material. The cells are coupled together into modules, which, in turn, are connected into larger panels. Solar cells exist already today. They are being used, for example, in satellites in space and in telecommunications offices and for lights in places where it it is too expensive to use electric power. The present technique, however, is very expensive. "We believe that this new technology is a step toward a less costly system," says Goran Carstedt of Volvo Energy Inc. It is hoped that solar cells, in the not too distant future, will provide electric power for residential use. Laboratory tests have indicated possibilities of reaching a higher efficienty than in the case of any previously known technique for thin-film cells. [Text] [Stockholm DAGENS NYHETER in Swedish 21 Mar 81 p 36] 7262

CSO: 3109

INTERVIEW ON ECONOMIC RELATIONS WITH WEST GERMANY

Athens BUSINESS & FINANCE in English 21 Mar 81 pp 6-9

[Interview with George Vartholomeos, Secretary-General of the Greek Ministry of Commerce, date and place unknown]

[Text]

B&F spoke to Mr Vartholomeos on the subject of Greek participation in the Hannover Fair from 1st-8th April this year, on the economic relations between Greece and West Germany, and on Greece's general export potential.

B&F: **What is the importance of Greek participation in the Hannover Fair this year?**

Vartholomeos: This year, as a result of Greece's accession to the EC in January, Greece is going to be the "honoured country" at the fair. Greece has already participated twice before in the fair, in 1978 and 1980, with an information bureau, but this principle of the "honoured country" was one that was established last year. Then, it was Brazil that was offered the opportunity to project the achievements of its economy.

B&F: **What is the Hannover Fair exactly?**

Vartholomeos: The Hannover Fair is perhaps the world's most important industrial fair. In 1980, 5,136 companies from 29 countries from Western and Eastern Europe, and North and South America took part, and the fair was visited by 540,000 visitors. It is because of this that Greece's participation this year, particularly as the "honoured country", in this internationally recognised exhibition, is for us an important landmark.

B&F: **How will Greece be represented?**

Vartholomeos: The Greek pavilion will cover an area of 2,150 sq. metres. The participants will be a large number of Greek public and private enterprises and organisations, and banks, in order to give as complete a picture as possible of the Greek economy today, and particularly the achievements of the Greek industry. Public organisations which will be participating will include the Public Power Corporation, the National Tourist Organisation of Greece, Olympic Airways, the Post Office, the Hellenic Aerospace Industry, Hellenic Steel SA, the Greek Organisation of Small and Medium Sized Handicrafts and Industries, the National Bank of Greece, the Hellenic Industrial Development Bank, the Greek-German Chamber of Commerce, and two transportation companies. The private sector will be represented by a large number of industrial and small and medium sized enterprises, which will show the achievements of the Greek manufacturing activity in cement, aluminium and bauxite products, machinery, electrical equipment and electronics, building materials, timber and timber products, plastics, and transportation.

B&F: **What are your main hopes and expectations for the Fair?**

Vartholomeos: Through this systematic and collective effort, we intend to project as well as we can the productive and export potentialities of Greece, in goods and services. And this will not be only in the traditional sectors, but also in modern applied technology. Further, we intend to promote our sales in the international market, and attract foreign investment capital to Greece.

B&F: **As this Fair is of considerable importance, and is taking place in West Germany, which is one of Greece's most important economic partners, could you outline the economic relations between the two countries?**

Vartholomeos: Today, West Germany absorbs about 18% of total Greek exports, ranking first in the European Community as a market for Greek products. Further, Greece covers 16% of its import requirements from West Germany. Machinery heads the list of German exports to Greece, followed by cars, electro-technical products, and textiles. In the Greek-German balance of trade, there has always been a deficit for Greece, and in the decade from 1970-1979, although there was a

satisfactory increase in Greek exports to Germany, this deficit against Greece doubled, to reach $581 million in 1979. In the same year, imports from West Germany amounted to $1,323 million, with exports to Germany amounting to $742 million.

B&F: **Has the situation improved at all in the last twelve months?**

Vartholomeos: According to the Federal Statistical Service of Germany, the Hellenic-German trade balance in the 11-month period from January to November 1980 was favourable for Greece, compared to the corresponding period of 1979. Our imports from Germany increased by 2.5% (DM 3,459.2 million against DM 3,373.8 million) and Greek exports to Germany increased by 14.2% (DM 2,511.7 million against DM 2,199.3 million).

B&F: **Do you expect this improvement to continue?**

Vartholomeos: The increase of Greek exports to Western Germany, which was considerable, and the important part this country play in Greece's export trade and world trade, in an indication of the ability of the West German market to continue to absorb, as in spite of the world economic crisis, this market still has margins for additional imports from Greece, particularly in the sector of industrial and craft products. In 1979, these products covered 73.2% of total Greek exports to W. Germany, compared to 68.5% and 43.7% in 1978 and 1970 respectively. These figures prove the potential of Greek industry and handicrafts, and leaves room for optimism about the future development of Greek exports to the German market. Today, these cover only 4% of the total imports of this friendly country

B&F: **How does Greek-German trade fit into the overall framework of Greek foreign trade?**

Vartholomeos: The high average annual rate of increase of Greek exports to the international market during the period from 1973 to 1978 was in the order of 15.5%. Two thirds of this was due to an increase in the volume of exportable products, and one third was due to increased prices. In 1979, on the other hand, there was an impressive increase of Greek exports of 31% as compared to 1978. During a period of stagnant inflation, and worldwide economic recession, these rates of increase are the best indicators of the particular dynamism and potential of the Greek National Economy. Equally impressive is the development of Greek ex-

ports from the viewpoint of their composition. In 1959, agricultural products, raw materials, and mineral ores made up about 86% of Greek exports. In 1979, twenty years later, the structure of the exports was industrial or handicraft products 50%, agricultural products 29%, petroleum products 11%, and raw materials and minerals 10%. Finally, according to the preliminary estimates for 1980, industrial and handicrafts products increased their participation to 55%. In this category, the group of textiles and ready-made clothing make up over one third, while cement, ferro-nickel, aluminium and other metal products, chemicals, pharmaceuticals, furs, shoes, and leather products are also significant.

B&F: **Of Greek exports to Germany, which products have seen the most rapid or significant growth?**

Vartholomeos: As far as our exports to West Germany are concerned, a particularly good performance can be noticed in furs, which cover 46% of similar import needs of the German market, and knitted cotton wear, which covers 41% of total German imports. These figures can be considered particularly satisfactory in view of the international competition from countries such as Italy and Hong Kong. In general, the penetration of the German market of ready made garments is noteworthy. During the period from 1972 to 1978, there was the greatest absorption of these products, as compared to the other EC countries.

B&F: **What about Greek trade with the EC?**

Vartholomeos: The larger market of the European Communities absorbed 78% in 1972, and 93% in 1978 of Greek exports of ready made clothing. Of these exports to the EC, 47.6% in 1972 and 67.3% in 1978 were channelled into the German market. These figures show the high international competitiveness of the Greek ready-made clothing industry, not only in the German, but also in the broader Community area, where it is well-known that the competition from the developing third countries, with their lower productions costs, is particularly acute. The importance of this achievement grows, when we take into consideration the fact that in the sector of ready-made clothing in Greece, it is the small and medium-sized businesses which prevail, and most of these use the local raw material. In time, an increase of exports of ready-made clothing to the Middle East and North African countries will also be noticed. 80% of Greek exports

of metal structures and tools go to EC member-countries. In this branch too there is considerable participation of the medium and small companies, and this makes us optimistic about the future of these companies now that accession to the EC is completed. Other significant exports to West Germany are cotton yarns, silk and synthetic fibres, shoes, fruit, canned fruit and juices, garden produce, wines and beverages, tobacco, and iron alloys. In mineral exports, first come mineral products, followed by bauxite, cryolite, and chrome.

B&F: **Apart from trade, what are the other economic links between West Germany and Greece?**

Vartholomeos: Economic relations between our two countries are not limited only to trade transactions. Direct German investment has also played an important role in the economic and social development of Greece. In 1978, this amounted to DM 332 million, and 1979 imports of additional German investment capital to Greece was approved amounting to DM 12 million. The sectoral distribution of these investments are DM 72 million for the electrotechnical, DM 38 million for the chemical, DM 30 million for textiles, DM 27 million for hotels, DM 26 million for mines and quarries, DM 23 million for pharmaceuticals, DM 15 million for mechanical structures, and the rest was used in various other sectors. Needless to say, one cannot overlook in this context the contribution of the immigrant Greek working population in the post-war economic development of West Germany.

B&F: **What are the future prospects for the further strengthening of the economic and other ties between Greece and West Germany?**

Vartholomeos: Prospects for the further development of the economic relations between the two countries are determined mainly by the new conditions, and within the new framework of co-operation, created by Greece's accession to the EC. The free movement of our peoples, the free interchange of ideas, knowledge, technology, goods and capital within the large European family will make a definite contribution to the development of multi-lateral relations between Greece and the other EC member-states. Between Greece and West Germany specifically, the increase in the volume of trade transactions should be expected on the principle of mutual benefit. From this point of view, and according to the trends of the German market,

there are favourable prospects for the exports of more Greek industrial products, and at the same time the Greek market will increase its needs for modern German technological products for the further development of the Greek national economy. On the other hand, excellent opportunities are offered to foreign entrepreneurial capital for industrial investment in Greece. Already the appropriate investment climate has been created in Greece, since the Greek Parliament recently passed Law 1116/81 on the incentives for economic and regional development. This law provides a series of measures for the promotion of investment activities. There are indications that there is a steady increase in the interest of private initiative for industrial investments in Greece, and foreigners are showing increasing confidence in the future of the Greek economy, as foreign banks are willing to cover the borrowing requirements of the country.

B&F: **What are your final comments on the future for both Greece and Germany?**

Vartholomeos: In a recent report of the European Commission, it was forecast that in 1981, Greece would have the highest rate of economic development (+2.4%) of all the EC member-states. It should further be noted that in 1979, approvals for imports of investment capital to Greece reached $196 million. That was 30% higher than the corresponding figure for 1978. Opportunity is therefore offered for additional German investment in Greece, perhaps in co-operation with Greek companies. In the sector of services, Greece has shown a continuous rise. This is the case not only in tourism, but also in communications, and transportation networks, which in recent years have been improved considerably. Our special transportation connection with the Arab countries should contribute to a considerable extent to the increase of our exports to these countries, which today absorb over 22% of the total of Greek exports. Under these circumstances, Greece will definitely play an important role as the centre of the international transit trade between the member-countries of the EC and the dynamically developing oil-producing countries of the Middle East. From this viewpoint therefore, additional opportunities contribute to the further development of relations between our two countries.

CSO: 4920

BALANCE OF PAYMENTS ANALYSIS PUBLISHED

Athens BUSINESS & FINANCE in English 21 Mar 81 p 2

[Text]

THE trade deficit increased by 16.7% during January 1981, and the balance of current transactions by 3.6% as compared to January 1980. However, in comparing the 1981 to the 1980 data, it should be remembered that the January 1980 information was considerably affected by the bank strike, and therefore any conclusions drawn on the basis of the rate of change may be faulty.

Foreign exchange expenditure on imports moved to levels slightly higher than those of December 1980, most imports being of petroleum products. If the statistics are seasonally adjusted, then the expenditures on imports in January 1981 followed the trend of the last months of 1980. If this trend continues, it will put the rate of increase at about 15-20% for the whole year. However, the considerable number of receipts from exports is attributable, by about 25%, to higher exports of petroleum products noticed during the month under review, while exports of the other goods remain fairly low. Revised statistics, following the deduction of petroleum products in January 1981 show that there was a fall in the number of receipts from exports.

In invisible receipts, the receipts from shipping were higher, ($165 million) while the other invisible receipts moved within the expected rates. The current transactions deficit in January 1981 continued to move at the levels of the previous quarter.

The net movement of private capital continued its falling trend of September 1980, halting only in December 1980. If this falling trend continues over the next few months, it will create problems for the financing of the current account deficit, which will result in public borrowing from abroad. The curb in the net inflow of private capital is derived from all items. The fall in the flow of deposits from worker and emigrant remittances can be attributed to lack of data.

The main part of the capital inflows in the public sector consists of loans to OTE amounting to $90 million.

Greece: Balance of Payments **(Millions of dollars)**

JANUARY (Preliminary)

	1980	1981	%
1. Imports	624	921	47.6
a. Private	328	607	85.0
b. State	296	314	6.1
2. Exports	180	403	123.9
3. Trade deficit	-444	-518	16.7
4. Net invisibles	166	230	38.5
a. Receipts	226	382	69.0
Tourism	44	61	38.6
Shipping remittances	93	165	77.4
Emigrant and worker remittances	33	69	109.1
b. Payments	-60	152	153.3
5. Current account deficit	-278	-288	3.6
6. Capital inflow (net)	211	125	-40
a. Private capital inflow	64	61	-4.7
b. Official borrowing (State, Bank of Greece, public enterprises, supplier credits, SDRs)	186	88	-52.7
c. Amortization	-39	-24	-38.5
(public)	(-29)	(-16)	-44.8
(private)	(-10)	(-8)	-20.0
7. Errors and omissions	86	121	
8. Net position from external operations	19	-42	
9 Official assets in gold and convertible currencies	1,116	1,201	7.6
10. Outstanding foreign supplier credits	1,378	1,699	23.3

CSO: 4920

NORWEGIAN MINISTER OF SHIPPING, COMMERCE INTERVIEWED

Athens BUSINESS & FINANCE in English 21 Mar 81 pp 3, 4, 5

[Interview with Kari Gjesteby, Norwegian Minister of Shipping and Commerce, in Athens, Mar 8]

[Text]

Norway's Minister of Shipping and Commerce, Ms Kari Gjesteby, was in Athens last week, on an official visit. She was accompanied by the Director General of the Norwegian Ministry of Commerce and Shipping, Leif Asbjorn Nygaard

B&F: **The visit of the Greek Minister of Merchant Marine Fikioris to Norway was the first step towards closer co-operation between Greece and Norway in the field of Merchant Marine. Your visit has been the second step. How has the co-operation between the two countries developed, and what do you expect for the future?**

Gjesteby: I expect, in the future, that there will be very close co-operation and contact between Greece and Norway. This is nothing new, as we have had good relations, I think, for years. The new thing now is the contact at Ministerial level. We have decided in fact on a new meeting with the Ministers, and we are moving on now to co-operation in exports on an ad hoc basis. We haven't organised any committees or anything special, but they meet very often in international organisations, and we think it right to have this informal contact, and to build on this.

B&F: **Are you expecting anything concrete in the forseeable future, any agreements to be signed for example?**

Gjesteby: No, we haven't been working on an agreement or anything like that. We both, I think, just felt it would be useful to exchange views, and to inform each other about our expectations. We are not planning any special or concrete agreement, but to broaden and to give a better background to closer contact between the two countries. While we are eager for this closer contact, the tendency is towards more protectionism in international discussions, and Greece and Norway have the same opinions and have the same problems.

B&F: **Following Greece's accession to the EC which formally took place on 1st January this year, can we expect any changes in the policy concerning the sale of ships to Greece, now that regulations for the EC prevail for Greece as well?**

Gjesteby: I don't see any special change through the companies, and it's a completely open sale. I don't think membership will make any difference to that.

B&F: **How do you feel about Norway's non-membership of the EC, particularly as you have a very strong shipping fleet, which could have influenced decisions made by the EC, now that the Community is formulating the Common Maritime Policy?**

Gjesteby: Well, it's not only from within the EC that these things are decided. I don't think that this is a problem for Norway. As you know, some years ago we held a referendum on this issue, and I was then against membership, and I don't think that was a wrong decision. I think that we have been able to arrange co-operation with the EC that is useful for the country, and this is preferable to membership.

B&F: **What are your anticipations and expectations as far as the decade of the eighties is concerned? How do you expect the shipping and ship-building industries of Norway to develop?**

Gjesteby: Well, that's not an easy question, as you know. I think that the tendency will be towards more and more specialised vessels, product carriers like chemical tankers, vessels to carry dangerous cargoes, smaller vessels of specialised carriers, and not vessels of very large tonnage. The offshore section should also be mentioned, because that is a very important sector not just for Norwegian shipping, but also for the whole Norwegian economy. Also drilling vessels.

B&F: **Are you planning to supply Greece with any rigs?**

Gjesteby: Yes, I know you are drilling, but this is on the market of course - it's not from the government but from the private companies that this will come.

B&F: **Are you concerned about Soviet competition in the shipping industry?**

Gjesteby: I don't know about the Soviets especially. We are concerned about the competition in general, because it is an international market, but I don't think we are especially concerned about the Soviets.

B&F: **I mention them because they have very low operational costs. Labour in that part of the world is not as highly paid as in this part of the world. However, they do have decision-making problems and administrative problems because the whole system is centralised.**

Gjesteby: Maybe that is our strongest competition - that our decisions in this industry are made in a different way. I don't think the Soviets in particular are threat to the Norwegian shipping industry, and we couldn't do anything about it anyway, even if they were. It is one of the consequences of free competition that they are permitted to operate according to their own methods and system.

B&F: **What are your thoughts on the UNCTAD 1979 proposal on the "40-40-20" scheme? Both Norway and Greece of course are part of the 20%.**

Gjesteby: We are concerned about this of course and it was one of the topics we discussed in our meeting with the Greek government.

B&F: So can we expect any joint action on this?

Gjesteby: I don't think "joint action" is quite the right expression. We will acceed to the code with the same reservations as the EC countries, so that means we have the same policy as Greece.

B&F: Finally, have you anything to add on your visit to Greece?

Gjesteby: Well, now that Greece is a member of the EC, it is also a member of the Western Europe Free Trade System, which means that it will have closer ties with Norway, as we are also in this system. So that means some changes at least in the relations between the two countries. What these changes will mean in detail, when it comes to concrete commercial things, I don't know as yet. At the moment, Greek-Norwegian trade has a surplus to Norway, as we export more than we import from Greece. One explanation for this of course is the ships. However, taking tourism into consideration, I think it balances quite well. We are interested in free trade, and want to expand contacts in all directions. I know that Greece is very interested in exporting more wine to Norway, but the problem is that we are not a heavy wine-drinking country. But I think different opportunities are there.

Kari Gjesteby--A Biographical Note

During her visit to Athens, the Norwegian Minister of Shipping and Commerce, Kari Gjesteby, and the Greek Minister of Commerce Kalantzakos, agreed on the need for the further promotion of trade relations between Greece and Norway. The 33-year-old Norwegian Minister met also with her Greek counterpart in the Ministry of Merchant Marine Ioannis Fikioris.

Ms Gjesteby was born in Oslo in 1947. She studied Business Administration at Bergen University, graduating from there in 1970. Her political career began in the Ministry of Communal Affairs and Labour, where she worked in the Department of Industrial Trade Unionism.

In 1974 she was appointed political secretary to the Ministry of Consumer Affairs and Government Administration, and she later became acting Minister of Religion and Education. In 1978 she was a member of the group of experts chosen to conduct a feasibility study of a communications satellite for the Northern European countries, held at the Cultural Secretariat of the Norwegian Council in Copenhagen.

In 1979 she was appointed Minister of Finance, and in February this year, she was appointed Minister of Shipping and Commerce, in the Labour Government of Ms Gro Harlem Brunistland.

Ms Gjesteby has played an active role in the Labour Party, and in local politics. She was a member of the Women's Secretariat of the Party, and for a period of four years (from 1975 to 1979) she was the Labour Party Representative on the City of Oslo Council.

CSO: 4920

HORTICULTURE DEVELOPMENT, STATISTICS PUBLISHED

Athens BUSINESS & FINANCE in English 21 Mar 81 pp 18-20

[Text]

Although Greek horticulture has developed rapidly since the second world war it still has only a low degree of productivity. Its activities are therefore limited mainly to the domestic market, not being able as yet to expand to substantial exports.
The favourable soil and climatic conditions of the country and the good prospects for the needs of the European market in flower products constitute good incentives for the further development of this agricultural sector.

To clarify the economic aspect of horticulture and the importance given to to it by other countries, a good example to refer to is Holland, an industrialized country, with an agricultural population of 7% of the total active population. Dutch exports in horticultural products during the years 1976, 1977, 1978 reached of 30,81, 36,92, and 40,34 billion drs correspondingly. (according to EUrostat).

Other countries have also succeeded in developing this sector. Italy's exports of horticultural products in 1978 reached 4,938 billion drs, France 2,347 billion drs and Israel 3 billion drs.

In 1976, Greek exports which were mainly carnations, reached only 10 million drs and in 1978, 30 million drs.

The main incentives for the further development of horticulture are the following:

a. Horticulture in North European countries is uneconomic due to the increase in the price of fuel. In most of these countries there is an essential need for heating of the productive installations throughout the year while in Greece this is necessary for only 2-3 months.
b. It provides the opportunity for the exploitation or small plots and for the use of presently wasted labour potential in the agricultural sector. (underemployment in Greek agriculture still remains a great problem).
c. It is not based on imports of raw-materials.

Historical Review

Horticulture in Greece first appeared 50 years ago. But it presented little interest as only a few flower producers in the Athens area were able to cover the limited needs of consumers (and mainly of the inhabitants of Athens).

From 1940 to 1950 horticulture almost disappeared to reappear again in 1951. During te period 1951-1958 it developed slowly but steadily. From 1958 to 1963 a considerable increase in flower cultivation took place in Attica and such other regions as Trizinia, Salamina, Patra etc.

Over the last 15 years, Greek horticulture has developed continuously, in relation to the area iof cultivated land. (1964: 3,000 stremma, 1969: 6,100

stremma, 1977: 8,000 stremma). It was during this period that the cultivation of new flower types and varieties began. New green-house installations were created and new methods of flower cultivation, were applied.

As a result flower production increased , and the quality of the products was improved at the same time.

Up until 1969, producers planted 5,000-6,000 gladiolus to a stremma.

The new methods permitted the plantation of 13,000-20,000 carnations, 6,500-7,000 roseplants and 17,000-25,000 gladiolus to a stremma. As a result, production was increased.

Other factors which have contributed to the recent development of horticulture in Greece are:

a. The creation of a flower-market in Patisia (1963). This market concentrates the greater part of production and from there distribution and marketing takes place.

Today, however, this flower-market operates in a anachronistic way, and this fact, and the present loan policy of the Agricultural Bank, constitute the main factors impeding the further growth of horticulture.

Therefore, the immediate establishment of a new market operation on a modern basis has become necessary, to attract foreign buyers and concentrate the total volume of production.

b. The granting of increased economic incentives (subsidies) from the Ministry of Agriculture for green-houses etc. Today considering the cost of modern installations the present incentives are almost worthless.

c. Granting of loans from Agricultural Bank for horticultural installations and other horticultural investments.

d. The new governmental policy for horticulture in relation to financing: decision of the Monetary Committee 222/11.12.1978.

e. The increase of the per capita purchasing of flowers in Greece and in Europe.

f. The improvement of standards of living in Greece. As a result, the purchase of flowers is no longer considered a privilege of only the rich.

g. Advertising of horticultural products through the media.

h. Increased demand for flowers (carnations) in European countries that cannot meet demand (mainly in the winter period and in the Middle East.

PRODUCTION

According to the Ministry of Agriculture, in 1977, the area of land given to horticultural cultivation was 8,000 stremma, i.e. 0,02% of the total cultivated land. Of these 8,000 stremma, 6,800 stremma were of open-air cultivation (85% of the cultivated land) and 1,200 stremma (15%) of "covered" cultivation (green-houses).

In 1977 the total area given to cultivation of carnations, roseplants and gladiolus was 3,360 stremma - 42% of the total horticultural land in Greece.

These flowers are the most important products in terms of both domestic demand and limited exports.

The European market is of interest, as the production of these flowers in the Northern countries is generally uneconomic - especially from December to April - due to unfavourable climatic conditions.

Most of their imports are covered by Southern countries, which are able to produce at a low cost.

The production of flowers in Greece is not yet fully developed, particularly in the winter, when the demand of the foreign market is increased. The limited production is absorbed by the domestic market. This fact permits the producers to obtain good prices for their products.

Flower cultivation concerns Southern mainland Greece and the island of Crete. 87% of the total horticultural land is in Attica, Crete, Peloponnesus and West Sterea Hellas. 5,850 stremma or 75% of the total is in Attica. The cultivation of carnations covers 555 stremma, of roseplants 255 and of gladiolus 1,420 stremma.

During 1977, Crete cultivated 650 stremma or 8% of the total. Carnation cultivation in Crete covers 85% of the total horticultural land, and 46.5% of flower cultivated land in Greece.

In Peloponnesus are cultivated 500 stremma or 6.2% of the total.

In Crete and in Trizinia, mainly carnations are cultivated: 93% of the total cultivated land.

Table 1: Production of flowers in tons

1973	20,950
1974	22,700
1975	24,500
1976	29,100
1977	29,560

Value of production (in mill. drs.)

1973	2,100
1974	2,950
1975	2,400
1976	2,708
1977	3,010

Table 2: Exports of carnations from Eastern Crete

Year	Number
1971-72	1,064,500
1972-73	568,000
1973-74	1,462,400
1974-75	1,762,160
1975-76	2,725,000
1976-77	4,600,000
1977-78	10,640,000

Attica cultivates 72.2% of the total roseplants, and 80.5% of gladiolus.

Contribution of the sector to the Gross National Product

The value of flower production for 1976 and 1977 rose to 2,700 and 3,000 million drs. For the same year the gross value of total agricultural production was 177,486 and 190,443 million drs. and the gross value of vegetal production 122,459 and 129,505 million drs.

The contribution of flower production to the gross agricultural product was 1.52% for 1976 and 1.57% for 1977, whereas to the gross value of the vegetal production 20.20% and 2.31% correspondingly.

For these years, the contribution of flower products to the whole agricultural production was (for both years) 0.02%.

As can be seen from Table 1 the percentage contribution of the value of the flower production is 78 times greater than percentage contribution of flowers to the total agricultural output.

Problems

a. Lack of a modern market

b. Lack of organised agent for the marketing of flower products

c. The loan-policy of the Agricultural Bank which does not permit the expansion of green-houses because:

- The producer participates with 40% of the total cost. In most European countries loan-giving is 100%.
- The rate of interest is high (16%)
- The required guarantees are high. The Agricultural Bank, according to its constitution, can mortgage the whole property of the loan-holder. As a result, the demanded guarantees often reach 200%.

It is significant to note that credit in Italy has a duration of 30 years with an interest rate of 2%.

Exports

Of the flowers cultivated, carnations present the chief interest for exporters, especially during the winter months. But the cultivation of carnations takes place either in open air or in cold green-houses, which are not well air-conditioned. The production of carnations during winter just covers domestic needs, with exports of only small quantities of relatively poor quality.

Table 2 shows carnation exports from Eastern Crete which is almost the only flower exporting flower centre in the country.

From Table 3 it can be seen that most countries which absorb Greek carnations are in W. Europe and the Middle East.

Bearing in mind the average price of the exported products was about 1.75 drs. then the total value of the exported products was 17,500,000 drs. Given that exports of agricultural products of Greece (during the period 1977-78) reached 32,500 million drs. and the total exports 101,331 million drs. we see that this percentage is almost worthless.

Transportation of flower products from Greece to the markets of W. Europe and the Middle East are made by air (100%).

It is significant to note that 50% of carnation exports from Eastern Crete were undertaken by the Cooperative of flower producers and 50% by the private sector.

As we have already mentioned, in winter the production of flowers in Greece just covers the domestic demand, a fact which contributes to high-prices for producers. As a result, exports become unfavourable.

Additionally, there is a lack of the appropriate infrastructure, organised market, packing houses, cooling installations and export agents. For the further development of the sector there is a need for:

- Increased production during winter and the cultivation of particular varieties adapted to the requirements of foreign buyers.

The main reasons for encouraging exports during winter are: 1) Increased demand 2) High prices 3) The lack of high tariffs on imports to foreign markets at this time, due to lack of domestic production. (After April foreign states take measures to protect their production).

- Organisation of marketing
- Better organisation of transportation so as to reduce cost.

Tariff policy

Flowers are included in STAND-STILL. Greece does not apply limitations to either quantity or to varieties of those imported from the EC and third countries, but does impose import tariffs.

Common organisation of the market

As horticulture had an important economic aspect for some EC countries it was decided to include it in the Common organisation of the market (reg. 234/27.2.68 J.OL 55/12.3.68).

In all the member states there is an authorised organisation to check that quality standards are applied (reg. 234/68 article 5)

Every year, one or more minimum prices for exports to the third countries are decided before the beginning of the marketing period. (reg. 234/68 article 7)

The marketing period begins in June and finishes in May.

Imports of flowers to the EC

According to Eurostat, in the years 1976, 1977, 1978 the EC imported 431,086,464,287 and 521,657 tonnes correspondingly and were paid in exchange 806,485,958,609 and 1,103,203 thousand EURs (1 EUR = $1.39 1.5.80). In 1978 there was an increase of 21.1% over 1976. The value increased 36.8%. During 1976, 1977, and 1978 the leading importer was W. Germany, (56.5%, 56.6%, 54.5%) followed by France (14.9%, 15.1%, 15.5%) and Holland (10.2%, 10.6%, 10.5%).

In value: West Germany 63.9%, 64.6%, 62.2%. France 12.1%, 12.0%, 12.4%, Holland 8.1%, 7.6%, 7.6%.

Table 3: Exports of carnations (1977-1978)

Country	*Number*	*Percentage*
W. Germany	8,923,500	88.9%
Lebanon	327,400	3.6%
England	312,100	3.1%
Austria	156,000	1.6%
Belgium	132,100	1.3%
Holland	112,700	1.1%
Switzerland	16,300	0.2%
France	10,200	0.1%
Scandinavian countries	8,800	0.1%

CSO: 4920

BRIEFS

STEEL PRODUCTION--A broader programme for the modernisation of all steel works of EEC member countries will be implemented, Industry and Energy Minister Stefanos Manos said last week. Referring to the development of the European steel industry and his recent contacts on this subject in Paris, Mr Manos said that as part of this programme most of the large steel works will be closed down and only competitive mills will be maintained. This, he added, will undoubtedly result in unemployment in the sector. With regard to the Greek steel units, the Minister said that there is no risk since their output represents only 2% of that of the Community and they are considered 'young' and therefore subject to modernisation and improvement. [Text] [Athens BUSINESS & FINANCE in English 21 Mar 81 p 26]

BANK LOAN FROM ABROAD--The Bank of Greece is interested in signing a loan agreement abroad for the amount of about $400 million. To this end, representatives of the Bank are considering the conditions on the London Eurodollar market, hoping to conclude the necessary negotiations within this year. Alternate Coordination Minister Ionnis Paleokrassas said last week that this loan, together with others granted to public organisations and corporations, would meet the country's needs in loans from abroad, which this year are not expected to exceed those concluded in 1980 (amounting to $1,000-1,100 million), since the balance of payment shows no problems so far. [Text] [Athens BUSINESS & FINANCE in English 21 Mar 81 p 26]

TOURISM, EEC POLICY--National Tourist Organisation (EOT) President George Daskalakis represented Greece at a meeting of the European Council's Tourism sub-committee, held in Strasbourg Tuesday on the tourist policy of EC member-countries. Many Europarliamentarians, including KODESO leader Ionnis Pesmazoglou, attended the meeting, and EC Commissioner for Tourism George Kontogeorgis was represented by Mr Mousis. The sub-committee accepted a proposal by Professor Daskalakis that a priority programme be drafted to serve as the basis of EC tourist policy. [Text] [Athens BUSINESS & FINANCE in English 21 Mar 81 p 26]

TOURIST TRAFFIC--Some 2,500 foreign tourists--mostly British, Belgians, Scandinavians and Germans--are currently on Rhodes, while the number of charter flights to the island are steadily increasing from the present four a week. It is expected that by the end of the month, the number of charter flights will be 17 per week, and 55-60 in April. Tourist traffic is also increasing to Crete and Corfu. Crete has been the destination of 19 charter flights in February, bringing a total of 2,117 tourists, mainly from Britain and Denmark, and up to 20 flights a week are expected later this month. In Corfu, the first charter flights with 85 Germans on board, arrived on the island Sunday. [Text] [Athens BUSINESS & FINANCE in English 21 Mar 81 p 26]

CSO: 4920

DIRECTOR OF STATE RAILROADS INTERVIEWED ON PLANS FOR SOUTH

Naples IL MATTINO in Italian 13 Mar 81 p 7

[Report on interview with Ercole Semenza, general manager of Italian State Railways [FS], in Rome, on future of railroad in the south; date not given]

> [Text] Various modernization measures include a "tangential line" to Mt. Vesuvius which will eliminate the need for trains coming from the north and going directly to Sicily from passing through Naples. Matera will be added to the network.

Rome--"I am a man of the south; since childhood I have observed the drama of my region. One lira to the north, one to the south; this is my motto." Ercole Semenza, general manager of FS, Irpino by birth (he was born in Bisaccia, one of the towns hardest hit by the earthquake), Neapolitan by adoption (he has lived in Naples since his youth and graduated there), has shattered a long-standing and strict tradition: it had been more than 10 years since a nonengineering graduate had reached the top of the railroad administration. "My choice," he says with pride, "was technical, not political." They call him the general manager, and, in fact, he has brought a wave of effective and practical measures to an organization which was bureaucratically sclerotic, accustomed for decades to drag along with administrative methods which, although amply tested, were always behind the times. A 13-hour workday, "always present" by vocation, carrying on a dizzy pace, a constant rebuff to the official registry which lists him as being 63 years old, vigorously belied by the athletic and uninhibited bearing of "young executives," the new "young lions" of the industrial world.

His office on the second floor of the Ministry of Transport gives the impression of an operating style characteristic of flexible and modern systems. He presses a button and is immediately in contact with every station in Italy; in an instant, he is able to communicate through the use of loud speakers with stations in Messina and Bolzano, Cagliari and Trieste. "It is not a question of vanity; these days it is essential to have a panoramic view of the entire national network, and these systems, in some instances, are highly useful. I experimented immediately after the earthquake. From this post I immediately entered into contact with the various stations affected by that catastrophe, and we organized the first rescue attempts. The railroads carried out an essential task, particularly during the first hours, when it was not yet fully realized how serious the disaster really was."

Semenza is a self-made man, one who came up through the ranks. His career began almost on the bottom rung, but it was all upward, until he reached the top. "My father," he says, "was a school teacher and wanted me to go into the teaching profession. After high school, I enrolled in the 'Pimentel Fonseca.' Once I had my diploma, I immediately thought about going to work. At the same time, I passed my university entrance examination which enabled me to enter the university. I entered a competition for the position of assistant manager and came in first. Thus, one fine day, at the age of 18, I left with a cardboard suitcase for which I had paid 5 lire and a second-class ticket to go to Vercelli, my first destination. I still have the cap I wore on my first job." His old red cap is beautifully displayed in the large modern bookcase facing his desk.

The overall plan, recently approved by parliament and calling for 12.5 trillion lire to be spent almost immediately, offers Semenza the possibility of putting the company back on its feet, too often, in recent times, caught in the eye of the cyclone of vicious accusations and polemics.

"Yes, I know, mention must be made of recent disasters. It is understood that in every calamity there is always consideration of the human factor; and we must not forget that railroad people are human beings like everyone else; they are not robots. But it must be admitted that, in recent years, aid to the south has been less than that accorded to the major lines of the north linked with Alpine transportation which have received greater attention with regard to equipment and technology. Through the overall plan we have concerned ourselves with upgrading the south to raise it to the level of the north. This is the philosophy of the plan: the recovery of the south; and the allocations are surely massive. We now have the necessary funds; I only hope we shall not meet with the same obstacles as always, put in our way by local organizations which systematically come up with difficulties when it is a matter of projects involving expansion, expropriations and other initiatives which may fall within their sphere of influence.

"In any case," he continues, "the south has not been more than ever completely forgotten. In fact, from 1957 to the present time, FS development plans have not only served to strengthen the organization itself but have also directed the supply of any necessary equipment for that purpose to the south itself. We have only to recall that, with the financing of 1.665 trillion lire (August 1978 decree), orders for rolling stock assigned to the industry of southern and insular Italy were increased above the already conspicuous beginning by 45 percent of the overall allocation. Meanwhile, in order to raise the standard of southern industry, the railroad firm also granted it technologically innovative types of production whose added value amounts to about 50 percent of the total value of the supply."

[Question] Now, however, it is the future which counts. Of the 12.5 trillion lire, what part will be allocated to the south? And, especially, what will be the advantages?

[Answer] As in previous financing, an enormous amount of orders will be given to the industry of southern Italy. Moreover, Article 6 of the decree provides that a portion of the supplies and labor required by the new construction program--equal to at least 45 percent of the overall expenditure--must be reserved for industrial firms located in southern and insular Italy.

The investments will create new jobs. We shall complete the three FS shops specializing in major repairs now relocated to Saline Jonica, San Nicola di Melfi and Nola. The Saline shop alone will employ about 1,000 workers. With regard to strengthening the organization itself, of the 2.5 trillion lire allocated to the completion of projects called for by previous plans, 720 billion is to be spent on lines and equipment for southern and insular Italy. With respect to new projects, of the 4.4 trillion lire, 2.445 trillion will be allocated to the south, that is, almost 56 percent.

[Question] In short, the FS will not lose the last train for the south. Rather, while waiting for the multiannual program, the traffic of the southern regions will be disrupted by the modernization projects.

[Answer] Among the measures of greater significance, I should like to recall the construction of the new line to Mt Vesuvius for long-distance traffic headed for Calabria and Sicily and the alleviation of the current shore line which will handle mainly suburban traffic. In substance, the FS will be catching up with the Autostrada del Sole, which linked Caserta Sud to Salerno, thus by passing Naples.

Another long-awaited construction project is that connecting Matera with the FS network through the creation of an adequate trunk line between the Lucanian city (the only Italian province not connected with the FS) and Ferrandina station on the Battipaglia-Metaponto.

But the FS program for the south does not stop here. Further measures of particular note are the following:

1 Electrification of the Sardinian network in monophase alternating current.

2. Electrification of the Battipaglia-Potenza-Taranto line; the Metaphonto-Sibari-Cosenza line; the Lamezia Terme-Catanzaro line; the Fiumemorto-Bicocca line; and the Roccapalumba-Agrigento line.

3. Doubling certain sections of the Caserta-Foggia line and the complete Cancello-Nocera and Bari-Taranto lines.

Sizable sections of the Sicilian and Sardinian lines will also be doubled.

[Question] What about connections with the islands?

[Answer] An allocation of 150 billion lire included in the overall program will serve to strengthen and modernize the FS fleet. In this connection, it has been planned to invite bids on the construction of a third two-directional ship using rubber-tired vehicles (also capable of ferrying iron tanks containing dangerous and harmful goods), and bids are now underway for the construction of a speedboat to handle commuter traffic between Messina and Reggio Calabria.

8568
CSO: 3104/223

ECONOMIC TRENDS, POLICIES, PROBLEMS VIEWED

Frankfurt/Main FRANKFURTER ZEITUNG/BLICK DURCH DIE WIRTSCHAFT in German 27 Mar 81 p 2

[Article by vg: "Holland: Nothing Left For Distribution"]

[Text] The Hague, 26 March--The economic situation in the Netherlands is deteriorating noticeably. It can significantly influence the outcome of the parliamentary elections 2 months from now. Current interest rates are climbing to frightful levels in Dutch eyes, and the government, business enterprises and consumers are viewing the future full of pessimism or at least uncertainty. Political parties are using or abusing the situation by offering well-meaning and not always realistic solutions to the misery within the framework of their election propaganda.

The current center-right government of Van Agt is doing everything possible not to annoy the citizens; at the same time, however, it is still actively looking for alternatives. In the process it cannot avoid petty attacks on the well-established welfare state if it wants to refill the state treasury, which has been emptied, among other things, by ever increasing social services and bear the costs of increasing unemployment and of supporting enterprises that are in trouble. Anyway, during the next few months or years the question will arise in Holland as to how much longer it will be possible to maintain the sacred cow and not touch the welfare state.

At the end of March, under the name of "Operation 81," the cabinet launched a number of measures that are to save approximately 3 billion guilders. The details of this program have not yet been announced. It is recognizable, however, that the employee must at least again forgo an improvement in his real income and help carry the general burdens.

The most drastic government resolution is the one which seeks to increase employee contributions to the general old-age insurance (AOW) and to the unemployment fund (WW). On 1 July both premiums are to rise by 1.5 percent, which means that AOW premiums will probably rise from a current 10.35 to 10.85 percent of gross wages. As a consequence the state itself will be able to reduce its contributions to old age and unemployment insurance by approximately 1 billion guilders.

Additional savings for the state of approximately 1.5 billion guilders are to be the result, among other things, of the gradual and indirect (adjustment of gross wages) reduction in civil service salaries, the adjustment of social services, and a partial hiring freeze of civil servants. The increase on 1 May in the price of gasoline and diesel oil by 6 or 5 cents per liter will bring in an additional 250 million guilders,

which will be used for a program to create jobs. Without this package of measures this year's budget deficit would rise to 25 billion guilders, or 8.4 percent of the national income.

Only a few weeks ago the Dutch government had also announced savings in social services amounting to approximately 200 million guilder for the current year. In the process, eligibility requirements were tightened for the payment of unemployment compensation. Another measure could raise money for the government, but, under certain circumstances, it cannot be realized before the elections. The measure under consideration stipulates that private individuals may no longer take an unlimited tax deduction for mortgage interests.

Orders received: In February, factory orders received in the Netherlands from domestic as well as foreign sources declined. The latest economic report of the Statistical Central Office in The Hague, however, indicates that in the opinion of business enterprises orders received in February were approximately at the same level as they were in January. Some 57 percent reported normal activities with respect to orders (preceding month: 55 percent), and 40 percent reported a lower figure. When regarding January 1978 figures as the basis of 100, the recorded figures remained unchanged at 90. Inventories remained at approximately the same level as well. Of the industrial enterprises included in the survey 66 percent indicated that their stockpiles were normal in February (the preceding month the percentage was 67).

Production: February figures for industrial employment in the Netherlands--according to the economic survey--remained practically unchanged. It is expected that activities between March and May will stay the same.

Labor market: The number of unemployed people in the Netherlands continued to rise in February. Employment Bureaus registered 346,676 unemployed women and men compared to 342,779 in January 1981. The unemployment rate, however, remained unchanged at 8.1 percent. Seasonally adjusted the number of unemployed persons increased from 307,387 to 320,342. There were 25,353 job openings in February compared to 27,423 during the preceding month. In the opinion of the Ministry of Social Affairs it will be March before a determination can be made as to whether opportunities for seasonal work, which began during February, will have a positive effect on the labor market.

It is doubtful that unemployment in the Netherlands will be reduced in the foreseeable future. At the end of February, Minister of Finance Van der Stee admitted point-blank that there was no money in the state treasury to combat unemployment. It is expected that by 1985 the number of unemployed people will reach one-half million.

Wages and prices: Between the middle of January and the middle of February consumer prices in the Netherlands rose by 0.7 percent. Accordingly, more than half of all the goods and services (55 percent) included in the survey by the Statistical Central Bureau became more expensive and 19 percent became cheaper. Price increases (following the end of seasonal clearance sales) were noted, above all, for clothing and shoes (plus 0.2 percent), fresh vegetables (plus 0.1 percent) as well as, among other things, milk and milk products, bread, furniture, fresh fruit and gasoline. Prices for the remaining goods and services remained unchanged.

Foreign trade: Compared to January 1980, the value of January 1981 imports in the Netherlands decreased by 3 percent, exports, on the other hand, rose by 3 percent. When disregarding fluctuations in imports and exports of petroleum and petroleum products as well as ships and airplanes, imports in January 1981 fell by 7 percent when compared to January 1980 and exports increased by 2 percent. There was a decrease, above all, in the value of imported iron and steel, automobiles, synthetics and organic and inorganic chemical products. With regard to exports, an increase could be registered, among other things, for natural gas, petroleum products, machinery as well as animal feed.

The volume of exports during the last year increased by 1 percent. The volume of imports decreased by 2 percent. A significant decline was noticeable in the import of automobiles (minus 39 percent), whereas the quantity of exports decreased primarily with respect to petroleum products (minus 7 percent) and chemical products (minus 3 percent). In 1980 the value of imports rose by 13 percent and the value of exports by 15 percent.

In January, the surplus in the balance of payments was 900 million guilders, compared to 300 million guilders in January 1980. In December 1980 there was a deficit of 1.2 billion guilders.

Industrial Production

Year/Month	1975 = 100
1979	111
1980	112
1979 November	115
December	111
1980 January	118
November	113
December	110
1981 January	115

Wages and Prices

Year/Month	Wages (1972 = 100)	Consumer prices (1975 = 100)
1979	188	125.6
1980	195	133.8
1979 December	190	128.4
1980 January	194	129.1
February	194	130.3
December	196	137.0
1981 January	194	137.9
February	-	138.8

Foreign Trade
(in billion guilders)

Year/Month	Exports	Imports	Balance
1979	127.6	134.8	-7.2
1980	146.8	152.8	-6.0
1979 November ..	12.1	12.8	-0.7
December ..	10.8	12.4	-1.6
1980 January ...	12.6	12.3	+3.0
November ..	12.2	12.8	-0.6
December ..	12.9	14.1	-1.2
1981 January ...	12.9	12.0	+0.9

8991
CSO: 3103/292

LABOR MARKET REPORT: 30,000 INDUSTRY JOBS DISAPPEAR IN YEAR

Stockholm DAGENS NYHETER in Swedish 25 Mar 81 p 36

[Article by Bo A. Ericsson]

[Text] Thirty thousand industrial jobs have disappeared between February of last year and February of this year. The decline has occurred mainly during the past few months. The decline has resulted in the lowest number of people working in industry since the beginning of the seventies. At the same time government jobs and jobs within municipalities and county councils have ceased to increase in number. A small increase was still noted in January, but now it has halted completely.

This is presented in the summary "Labor Market Data" for February published by the National Labor Market Board.

It also shows that the number of full time jobs is on the decline. On the whole the entire increase in total employment between February of last year and the same month of this year was due to part-time jobs and then mainly jobs for women within the private sector.

Regarding the public sector--which has been growing steadily in the past years--the government has estimated that jobs there will increase by about 30,000 during 1981.

The opinion of the Labor Market Board is, however, now, that such an increase will hardly take place. It is more likely that there will be a decline parallel with the tightening of the municipalities' economies.

Currently a total of 1,243,000 people are working in the public sector.

Within industry--including the mines--the number is 1,067,000 which is 30,000 less than a year ago.

Unemployment Has Increased

Due to the decline there are now fewer industry jobs than when the last recession was at its worst. Only a small fraction of the jobs that then disappeared were restored before the economy worsened.

Meanwhile construction activities remain at a low level. The professional organizations and also the Labor Market Board have demanded that there be more construction work. According to these organizations, that would stimulate at least some parts of industry and would help pull it out of the recession.

But there does not seem to be any increase in construction work in sight in order to get the wheels running and thereby increase employment. Within the housing board it is now estimated that the number of started housing units during this year will be even lower than 1980, 49,000.

There does not seem to be any increase in the industrial building investments in sight.

The Order Influx Is on the Decrease

The manufacturing industry is also predicting increasing problems. In the spring it will be hit by an increasing economic recession, according to the Metal Trades Employers' Association and the Association of Metalworking Industries in their trade outlook report of February. The order situation has worsened remarkably and the influx of orders continues to decline rapidly.

The report states further that there are no signs of improvement, and that the prospects for the export market are not optimistic for the industry while at the same time the tightening of the home-market is significant. The consequence is that production is decreasing very fast and unemployment is increasing during the coming months. To an increasing extent companies will also be forced to short-time weeks and temporary dismissals.

A Reasonably Good Start

A light point to this somber picture is, however, that at least one sector of industry, the car industry, has despite everything had a reasonably good start this year. A short time ago Volvo stated that they, due to successful sales in the United States, have had to increase the production of passenger cars.

Another part of the picture is that even if industry in general is now cutting down on its production there is still a lack of skilled workers in several companies. Those are key persons who are always needed whether the situation is good or bad.

But on the whole the situation of the labor market is expected to worsen gradually. The main breakthrough of the weakening economic situation--in combination with the official tightening--will, however, not take place before the fall, according to the Labor Market Board. Then unemployment may increase from the current 2.5 percent, to perhaps 4 percent--or about 175,000 people.

Sweden has not had such a high unemployment level since World War II.

9662
CSO: 3109/139

YOUTHS COMPLETING MILITARY SERVICE FACE UNEMPLOYMENT

Stockholm DAGENS NYHETER in Swedish 25 Mar 81 p 36

[Article by Kjell Lofberg]

[Text] One out of five people has no job upon completing army service. On Friday 10,000 drafted men are released from the army after completing basic training. On Monday the unemployment among young people will have increased by 3,000 individuals. Over 20 percent of the draftees are released from the army into unemployment.

Hasse Pallin and Mats Karlsson are two draftees who will be without jobs on Monday. They have done their army service in the seventh rifle company of Orebro. In their barrack room 7 out of 27 men will not have a job when they are released on Friday.

"When I went into army service I had a job as a construction carpenter. Now that I am leaving the army I am unemployed. My old company cannot afford to have me. The last one employed has to be the first one to go. During these 8 months while I have been in the army service the situation within the construction branch has become tighter," says Mats Karlsson.

Retraining

"We would not exactly have expected this when we were advised several years ago by the job counselor to get retrained for construction carpentry. So now the only thing that is left is retraining for the mechanic or manufacturing engineering industry."

In the beginning of January an employment exchange visited the I 3 of Orebro. Close to 200 of the 800 who were then drafted used the situation to talk with some employment agents.

"But the only thing that they had to offer was an edition of the placement journal. We, of course, had seen that one before. Any real assistance to get a proper job was never given," says Hasse Pallin with disappointment.

"If you want a job you have to take care of it yourself. I do not have a job but I count on being able to struggle along throughout spring as a teacher's substitute."

Hasse Fallin, who lives in Karlskoga, is hoping for a job at Bofors. He knows some people who work there and he hopes that they will be able to help him.

Niklas Tiden and Benny Lindell are, however, two draftees of this barrack room who are getting jobs. Niklas will be a hospital orderly and Benny will return to his old job as an assembly worker.

"There are always jobs within health care. But that, of course, is not the kind of job that I dream about. To work as a hospital orderly is for me only a temporary job until, as for many others, one finds something better," Niklas Tiden explains.

No Plans to Move

"Every person dreams of a profession that he likes, a job in which he can realize his potential. I would like to become a musician. But that is not something that you simply go ahead and become."

Benny Lindell says that it was his brother who helped him get a job as an assembly worker, although Benny did not have the training. Now I have learned the job and I would like to have the knowledge confirmed by getting the training for assembly work. If the labor market situation becomes harsher it is necessary to be able to point out one's education."

"But the employment agents were not at all interested in helping me get a training since I already have a permanent job."

Hasse, Mats, Niklas and Benny are all four critical toward the employment agency. They think that they are too easily waving with financial support instead of concrete jobs. At the same time none of them is willing to move from the home commune in order to get a good job.

"When you move to a place where you do not know a soul it is easy to slip downward. After coming home from work you sit in your cheap new sofa and drink vodka for comfort."

"And that is not exactly the way we had thought that the future would be like for us."

None of them knows how they want to form their future.

"It is important to have a job. But one should also use the opportunity to try several jobs as long as one is young," they say before it is time to get in line for the first returning of equipment items. They must not miss that occasion, because it will soon be time to be released. That is when life begins. Even if it for some people means a start in unemployment.

9662
CSO: 3109/139

POLL SHOWS MOST SWEDES ACCEPT NEED FOR BELT-TIGHTENING

Stockholm SVENSKA DAGBLADET in Swedish 16 Mar 81 p 2

[Editorial]

[Text] New figures on the opinions of Swedish voters were published yesterday by the Market Research Institute, IMU. There was, however, nothing new. The government parties continue to trail the Social Democrats.

The government, however, should not hang its head, for at the same time another opinion poll has come out, which should serve for the edification, and perhaps even comfort, of the government.

Sifo has asked people their opinion concerning belt-tightening. It points to a healthy insight among the poople concerning what needs to be done.

The Swedes are prepared to save in order to get the country's economy in order. A very large majority, over 60 percent, wants the public sector to be restrained at least to the extent proposed by the government. There are more (28 percent) who believe that the government's economy package has been too small than those who believe that it has been too large (21 percent).

Three out of four, 75 percent, are prepared to lower their own standard of living--if everyone else does. Only 12 percent are completely unwilling to accept a drop in their own standard of living.

Among the reorganizational measures people would prefer are a wage and price freeze and a decrease in the tax rate on increased income.

It would seem, then, that there is broader popular support for a Wirten-Bohman type of economic policy than for the populist opposition policies of Palme.

The only recipe for a nonsocialist election victory in 1981 is the well known phrase: Govern more!

9336
CSO: 3109/138

NEW ELECTORAL SYSTEM ANALYZED

Nicosia O AGON in Greek 25 Mar 81 p 9

/Text/ The purpose of this article is to give as simple and practical a picture as possible of our new electoral system: what it is, how it works in practice, and what its results are. For this purpose, it is necessary to outline the old system in order to appreciate the differences between the two.

Old System--A General Outline

The electoral system in force in Cyprus until its recent substitution was the majority system /Simple Proportional/ which even though it continues to be in force in some countries is generally considered unfair and antiquated, the main reason being that it does not leave to minority parties of a country margins for representation in the House of Representatives proportionate to their electoral strength. Under the old system a candidate or a slate of candidates was considered successful if it received most of the votes in a given election district albeit with a small difference in which case the defeated candidates or slates did not at all represent their district. The system favors the formation of strong majorities in the House of Representatives and discourages the existence of many parties at the expense of a fair representation of all people. Another basic difference between the two systems is that while the old system made it possible for a voter to vote different candidates of various parties, the new system allows the voter to vote for a party and not for the candidates.

New System--General Remarks

The new electoral system which was introduced in Cyprus in July 1979 and which will be implemented during the next parliamentary elections is the Reinforced Proportional System. The basic objective and principle of the system is to have both the majority and the minorities represented in every electoral district in proportion, of course, to their electoral strength. The parliamentary seats in every district are distributed on the basis of the number of votes each party or slate receives in the elections. Thus, the seats are distributed to the parties in a proportional [illegible] are not won by the party or slate which simply receives a majority of votes. Let us see how the new system works.

New System--Analysis

First of all, the new system which was introduced in Cyprus by Law 72/79 divides the country into six electoral districts with a corresponding number of deputies for each one as follows:

District	Number of Deputies
Nicosia	12 deputies
Limassol	7 deputies
Famagusta	7 deputies
Paphos	4 deputies
Larnaca	3 deputies
Kyrenia	2 deputies
Total	35

The House of Representatives then consists of 35 members. The new system introduces an important innovation: the registration of all eligible voters is compulsory and for those who fail to register or who unjustifiably fail to vote on election day the system provides various penalties. All citizens of the Republic who have completed their 21st year of age and have resided in Cyprus for at least 6 months prior to the election day as fixed by the minister of interior have the right to vote.

The candidates run either on a party slate or individually and the slates may represent one party or coalition of parties.

The voter chooses the ballot of the party he prefers, which he casts. However, besides voting the party of his preference, the voter also has the right to indicate his preference of certain candidates on the ballot by placing a "preference X" before their names. The purpose here is for the voters to indicate their preference for those party candidates whom they want to represent them in the House of Representatives. The number of such preference check marks is fixed by district as follows:

District	Number of "Preference X's"
Nicosia	3
Limassol	2
Famagusta	2
Other Districts	1

We shall now see how the parliamentary seats are distributed among the various parties under the new reinforced proportional system.

Distributions of Seats

Actually, the new system provides for three distributions of parliamentary seats to the various parties.

First Distribution

For the first distribution we take the total valid votes in each electoral district and divide it by the [corresponding] number of deputy seats in each district. The quotient constitutes the so-called "electoral base" which simply represents the number a party needs to gain one parliamentary seat. To see how this works in practice let us consider a hypothetical case with four parties vying for victory.

As mentioned earlier, the Nicosia District is entitled to 12 parliamentary seats. If, for example, the total of votes case in the district is 96,000 then the "electoral base" will be 96,000 divided by 12 = 8,000. Let us assume that the number of votes each of the four parties received in the district is as follows:

Party	Number of Votes
A	32,000
B	30,000
C	20,000
D	14,000
Total	96,000

To find out the number of parliamentary seats each party will have received after the first distribution in the Nicosia District, divide the total of votes it received by the "electoral base." Thus:

Party		Electoral Base	Number of Seats	Remainder of Votes
A:	32,000	8,000	4	0
B:	30,000	8,000	3	6,000
C:	20,000	8,000	2	4,000
D:	14,000	8,000	1	6,000
		Total distributed seats	10	

Thus, the first distribution gave the Nicosia District 10 seats out of 12. There are 2 remaining seats to be filled and also a number of remainder votes was left for 3 parties.

The same procedure as above is followed for the [distribution of the seats in the] other 5 electoral districts. We divide, that is, the total valid votes in each district separately by the number of the parliamentary seats it is entitled to in order to find the "electoral base" for each district. The total of votes each party received is then divided by the "base" thus finding the number of seats each party will be entitled to in each district. The remainder votes will be used for the second distribution.

It is understood, of course, that a party will not be entitled to a parliamentary seat if it fails to receive in a district a number of votes equal to or greater than the "electoral base."

Who Will Get the Seats

As concerns the question of which of the candidates of party slate or coalition of parties will be given the seats the party received from the first distribution, the answer is reached as follows:

As we saw in the previous example, party A with 12 candidates won 4 seats from the first distribution in the Nicosia District. The new law provides that these 4 seats will be given to those candidates of the party who received most of the preference X's, in the order they received them, and regardless of the position of their names on the ballot.

As stated earlier, in the Nicosia District each voter could place three preference X's before the names of three candidates of the party he votes. In the case of non-party affiliated or independent candidates, each of them will be entitled to a seat if he succeeds in receiving a number of votes equal or greater than the "electoral base" in his district.

This procedure completes the first distribution of the parliamentary seats after which the second distribution takes place. But before explaining the procedure in this step, let us first examine certain facts about our parties since these facts play the main role in the second distribution.

Let us again consider the example about the party A we mentioned earlier. The picture for this party at the end of the first distribution was as follows:

Parties*	District	Number of Seats	Remainder of Votes
A	Nicosia	4	0
B	Limassol	3	6,000
C	Famagusta	2	700
D	Paphos	1	1,400
E	Larnaca	1	3,000
F	Kyrenia	0	4,000
	Total	11	15,100

*[Translator's note: This column is superfluous since the table represents first distribution figures for party A only]

It is evident from the table that Party A has received 11 seats from the first country-wide distribution and that it has a total of 15,100 remainder votes. The picture for all four parties country-wide is as follows [after the first distribution]:

Party	Number of Seats	Remainder of Votes
A	11	15,100
B	7	15,600
C	5	12,000
D	2	8,000
Total	25	50,700

It is thus seen that a total of 25 seats have been distributed after the first distribution and that 10 seats remain to be distributed in the second and perhaps third distribution. There is also a remainder of votes totaling 50,700 for all parties.

Second Distribution

Before explaining this step, we should mention that the House of Representatives has voted an amendment which brings about important changes to the provisions of Law 72/79 regarding the second distribution. We are taking into consideration these changes in order to be fully acquainted with all the details of the new system now in force. We shall not refer to the second distribution procedure followed before this amendment was enacted and we shall only describe the procedure this distribution follows according to law now in effect.

Let us now see how the remaining 10 seats will be distributed (second distribution).

In order for a party to participate in the second distribution it must first satisfy certain conditions. This is the reason, moreover, that our new system is named a "Reinforced Proportional" in contrast to the "Simple Proportional" which does not have any conditions at all.

According to the new law, in order for a party or coalition of parties to participate in the second distribution it must satisfy one of the following two conditions:

a. In the case of a party, it must win at least 1 seat and a percentage of 8 percent of the total number of valid votes cast throughout Cyprus. In the case of a coalition of two parties, it must win 1 seat and 20 percent of the total vote or if the coalition consists of more than two parties it must win 1 seat and 25 percent of the total country-wide vote.

b. In the case of a party it must receive simply 10 percent of the total vote without winning a single seat. In the case of a coalition of two or more than two parties the corresponding percentage such coalition must receive is 20 and 25 percent of the total valid votes.

Let us say that the four parties of our example have received the percentages the law provides. The second distribution for the remaining seat is as follows:

First of all, we must figure out the "electoral base" using the same procedure as in the case of the first distribution, or, that is, as follows:

After the first distribution, we find the "electoral base" by dividing the total number of the remaining valid votes for all parties in all election districts by the number of undistributed seats. In our example:

Total of surplus votes country-wide	50,700
Total of undistributed seats	10
Electoral base of second distribution (50,700 divided by 10)	5,070

We now divide separately each party's total surplus country-wide vote by the "electoral base." The result is the number of seats each party will receive from the second distribut on. Thus:

Parties	Remainder of Votes	Electoral Base	Seats*
A	15,100	5,070	2
B	15,600	5,070	3
C	12,000	5,070	2
D	8,000	5,070	1
	Total distributed seats:		8

*The fractions in the division for first and second distributions were ignored.

Thus the results of the second distribution show that the four parties of our example received 2, 3, 2, and 1 seat respectively. Adding these seats to those of the first distribution, we have:

Parties	Seats First Distribution	Seats Second Distribution	Total Seats
A	11	2	13
B	7	3	10
C	5	2	7
D	2	1	3
Total	25	8	33

Therefore, at the end of the second distribution the various parties had received a total of 33 seats. But before finding what will be done about the other 2 seats we must first establish which districts will give the seats distributed to each party in the second distribution.

Implementing the new law, the various parties are listed in the order of the highest number of surplus votes they have accumulated in all districts, and the remaining seats are then distributed to these parties with the highest surplus of votes [party B - 15,600; party A - 15,100; party C - 12,000 surplus votes]. Thus, according to the law the two seats will be given to parties B and C. This procedure, which could be called "third distribution," completes the distribution of the 35 parliamentary seats to the parties, coalitions of parties, or independent candidates under the new Reinforced Proportional System which, no doubt, is fairer and more democratic than the previous one--the Majority System [Simple Proportional]. Of course, no one can claim that the new system is a perfect one. Moreover, it has been subject to some criticism.

7520
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GALLEY ON MILITARY COOPERATION WITH THIRD WORLD

Rabat L'OPINION in French 30 Mar 81 pp 1, 3

[Article by Salmouni Zerhouni]

[Text] France will continue to honor its commitments to its friends if they are threatened.

Paris--France is the world's third largest military power. Cooperation between France and the Third World on defense matters is exemplary. To a written question posed by Mr Rene Visse (PCF), a deputy from Ardennes, on military cooperation between France and Morocco, Mr Robert Galley, the minister for defense, answered in the following terms, according to the official journal of the National Assembly (parliamentary debates):

"With respect to technical military cooperation between France and Morocco," he stated, "personnel from the French Air Force participate, as teachers, instructors, or experts, in the training of personnel of the Royal Moroccan Armed Forces. By the terms of the latest accord," he said, "they in no way take part in the execution of any operations that are part of an armed conflict or the maintenance of order."

Also, Mr Galley gave an interview on French defense policy to the Arab review AL MAJALLA published in London. L'OPINION publishes [below] the original text as an exclusive.

[Question] At present what is France's military capacity in comparison with the two superpowers?

[Answer] As you know, France has no expansionist aims and we are not trying to compete with the superpowers either in destructive capacity or in number of weapons. Our means of defense include the strategic nuclear force, maneuvering forces, and external action forces. They have been designed to safeguard the national territory against any aggression, protect our interests wherever they may be threatened, and enable us, lastly, to assume our responsibilities and meet our commitments in Europe and throughout the world. I am thinking more especially of the commitments we have made to our African friends, with whom we are tied by defense agreements. These resources are therefore both large and modern. Thanks to the nation's financial commitment and to the high level of technology France has attained, we are ceaselessly improving our military capability and adapting it to the different crisis situations that may arise in this dangerous and increasingly unstable world.

[Question] There has been much discussion of France's nuclear deterrent force. How far has this nuclear force developed, and what will happen to it in the coming years?

[Answer] In the course of the last two decades we have built up the third largest nuclear arsenal in the world, an arsenal of incontestable credibility and one which, moreover, has not been challenged. We are constantly and resolutely making the efforts necessary to maintain and even improve its capacity and credibility.

At present we have strategic and tactical nuclear weapons based on four major systems:

--A piloted air component of 37 "Mirage IV's."

--The surface-to-surface ballistic missiles of the Albion plateau.

--The missile-launching nuclear submarines, five in number, each carrying 16 missiles.

--Surface-to-surface and air-to-surface tactical weapons, including five "Pluto" artillery regiments, five air force squadrons, and one naval tactical nuclear unit.

This structure will remain valid up to the year 1990-1992. Starting in 1984-1985, the introduction of ballistic missiles with multiple warheads on our submarines will enable the strategic oceanic force to increase its firepower several times over.

It is obvious that in nuclear weaponry no development is final, and our researchers, engineers, and technicians must work incessantly to maintain our deterrent force and modernize it in order to preserve a sufficient level of effectiveness and credibility.

Thanks to our progress, France today has attained a level of technological achievement in nuclear weaponry that is absolutely comparable to that of the United States or the USSR.

Modernization of our nuclear arms takes three primary directions:

--Reducing the vulnerability of our systems through improved performance, "platform and vectors:" secrecy, depth, mobility.

--Improvement of penetration capability, through increasing the number of weapons, diversifying trajectories, hardening of missiles.

--Improvement of the effectiveness of the nuclear weapons, by increasing the range and the pinpoint accuracy.

[Question] Rumors have been circulating about a French military operation in Chad to oppose the Libyan presence in that country. What do you think about that?

Do you support the possibility of French military intervention in Africa?

[Answer] France has recently been led to take measures to strengthen its military forces in Africa in order to respond to the appeal of several African states with which we are linked by defense accords, and which were for good reason disturbed by the recent changes in the situation in Central Africa.

I recall that France has already intervened militarily in that region of the world. It is certain that France will continue to honor its commitments to its friends if they were threatened.

[Question] Do you expect that France could be led to play some kind of military role in the Gulf region, should that region be threatened by an external danger?

[Answer] France is very attentive to what happens in that part of the world and will make every effort to maintain peace there.

But obviously peace does not depend on us alone. The rivalries between states, the religious and ideological conflicts continually breed zones of instability and create quite worrisome situations that could have serious consequences not only for the very future of the populations but also for our supplies of raw materials and energy.

This is why France would not be able to sit passively and simply watch. It intends to maintain complete freedom of action everywhere that world peace or its vital interests may be threatened.

[Question] Do you think, Mr Minister, that the war between Iraq and Iran could have direct military effects on the Gulf situation, in general, and on Western oil supplies, in particular?

[Answer] It would be very unwise today to say that the war between Iraq and Iran could not someday have direct military effects on the situation in the Gulf. As soon as the hostilities started, France, for its part, immediately sent a naval force specialized in anti-mine warfare, showing thereby its determination to try to maintain the free flow of oil supplies transiting the Gulf.

Nevertheless, it is reasonable to consider today that the risk appears limited. Moreover, it would not be in anyone's interest to impair maritime traffic in that region, traffic which involves not only Western supplies but also the life and development of the coastal states.

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LABOR PARTY YOUTH CONGRESS WANTS STEEN TO HEAD PARTY

Withdrawal From NATO Demanded

Oslo AFTENPOSTEN in Norwegian 20 Mar 81 p 13

[Report by Erling Koldaas]

[Text] "Our stand on NATO is firm; we want an alliance-free Norway," Thorbjørn Jagland, leader of the Labor Youth Organization, emphasized yesterday when he opened the debate on a new program of principles at the organization's national meeting in Oslo. The AUF [Labor Youth Organization] leader pointed out that all forces must be gathered for the fight against atomic weapons. This must be done across old lines of demarcation, Jagland said.

"To us socialism is first and foremost a peace idea," Jagland said, "and regardless of definitions there is still a central core in democratic socialism: Loathing for a class society in all its forms. The conviction that the reform work can never be imagined to end is firmly anchored in the AUF. A socialist society is a society in constant development, and socialist politics is society-building work."

According to the AUF leader, freedom has become an honored word in the Conservative Party's political propaganda. "We know, however," Jagland asserted, "that the capitalism that the Conservative Party supports has seen to it that the reality offered to people is in glaring contrast to most people's principles of justice. It is very surprising to me that gifted people, of whom there are certainly many in the Conservative Party, do not worry about the deep cultural opposition between humanism and the brutality that the market economy involves, when conditions of freedom are discussed."

The AUF must see the question of Norway's pulling out of NATO in a European perspective, Jagland said. "By working for disarmament, doing away with nuclear weapons, and reducing the military East-West confrontation it is possible to reduce the significance of the military blocs in Europe and gradually replace them with a new security arrangement. For Norway's part it is important in such a perspective to avoid a stronger NATO engagement in the northern areas, and an atom-free zone is an essential measure in that connection," the AUF leader stated.

"We want a real debate, and we have not even a quiet or pious hope of a youth movement that does not discuss policy on a critical and independent basis," Prime Minister Gro Harlem Brundtland said in his welcome address at the meeting. "Within

the limits of our fundamental principles we can also arrive at different solutions for specific questions, but we do not see that as any danger signal.

"The Conservative Party is trying to represent it as questionable to discuss security policy at all. That is a dangerous position, and there is reason to ask: What would our security policy have been today if the Conservative Party had dominated the development in postwar Norway? There is every possible ground for putting a question mark on whether we would in that case have had a declaration on bases or self-imposed restrictions to reduce tensions in our region," Prime Minister Gro Harlem Brundtland said.

Brundtland Favored Outside Group

Oslo ARBEIDERBLADET in Norwegian 19 Mar 81 p 7

> [Text] Youth wants Gro Harlem Brundtland as prime minister. An opinion poll done for ARBEIDERBLADET by the Norwegian Opinion Institute shows that 51 percent of voters under 30 want Gro Harlem Brundtland as prime minister, while only 34 percent want Kåre Willoch. That gives Gro a 60-40 lead among those who have made up their minds.

Thorbjørn Jagland, chairman of the Labor Youth Organization, characterizes the opinion poll as very gratifying.

"It was taken in the age group where the Labor Party has had problems, and where it is quite necessary for the party to make gains before the election. For the Labor Party's part the election can be decided among the very young," says Jaglund, who has the following advice for the many young people who today want Gro as prime minister but say they will vote for another party than the Labor Party: "There is only one way to see to a government headed by Gro Harlem Brundtland, and that is to rally around the Labor Party in the Fall election."

"It is not Kåre Willoch, but the platforms we are going into the election on that are decisive for the policy any bourgeois government will pursue," says Sveinung Lunde, chairman of the Young Conservatives' National League, who wishes in that way to calm down what he characterizes as a shift toward American conditions in Norwegian politics. Lunde goes on to say that the opinion poll is a stimulus to extra effort before the election: "With the change of persons the Labor Party has got a new seller, but the product, the Labor Party's politics, is the same," the Young Conservative chairman says.

Outgoing Chairman Comments

Oslo ARBEIDERBLADET in Norwegian 19 Mar 81 p 7

[Interview with Thorbjørn Jagland by Bent Inge Bye]

> [Text] • AUF [Labor Youth Organization] chairman often lands in political thickets.

- Conflict over defense and security policy could have split the Labor Party.
- Reiulf Steen deserves praise for having stimulated tension-relieving debates on controversial questions, a thing that has united the party politically.
- Politicians are among the privileged groups of society.

These are points that AUF chairman Thorbjørn Jagland takes up in this interview with ARBEIDERBLADET. The AUF is opening its national meeting in Oslo today. Jagland is going out as chairman at this national meeting. Jagland has sat as chairman for 4 years. Only Olav Teigen has been chairman for a longer period. Thorbjørn Jagland is going out in a period in which the AUF is very strong. Organizationally the youth movement has never been so solid. In addition, in the course of the last few years the AUF has won great respect and achieved breakthrough for a number of its causes.

[Question] How has it been to lead the AUF for those 4 years?

[Answer] Carrying on youth politics is no bed of roses. On the contrary, I have often felt that I had landed in a thicket. You get quite "bloody" and shaken when you are bawled out by the party people for being irresponsible, demagogic, and naive at the same time that you are getting criticism from your own members for being gray, toothless, and compliant. But in all modesty, I take that as a sign that I have succeeded as chairman. You have to take abuse and criticism. But party people that have resorted to abuse should think of what would have happened if the AUF had not taken definite positions on controversial matters. My view is that the AUF could easily have become a ruined organization and the party would have lost many valuable members on the left. That is not to conceal the fact that the AUF has often been used as a mouthpiece for the radical opposition in the Labor Party.

[Question] What was the most difficult problem in your period?

[Answer] There have been plenty of controversial questions. But defense and security questions were very serious. Now that I can stand aside and look at the whole picture, I think I have a basis for saying that those were issues that could have split the Labor Party. The fear of atomic warfare and continued arms race have aroused strong feelings in the movement at the base. People are afraid, especially youth and families with children, who see with desperation that Europe will be the scene of an atomic war between the superpowers. We see that reaction in other European countries as well. The Social Democrats in the FRG are on the brink of a split over security questions. Other social democrats are experiencing the same thing. The development might have gone in the same direction here in Norway if the AUF had not come forward openly and taken up the opposition without being cut down. Party Chairman Reiulf Steen has often been criticized, but my view is that by opening an internal debate on defense and security policy he managed to keep the party as much united as we are today. For that Steen deserves all possible praise....

Thorbjørn Jagland is going from the AUF office to the party office on the Youngstorg, where he will begin serving as reporting secretary. His studies are shelved for the time being. Jagland was studying economics before he was elected chairman of the AUF. He had only one semester left of the course when he dropped it in favor of politics.

[Question] Are you sorry?

[Answer] Diplomas are just paper. It is the knowledge that is decisive. What I learned of economics was absolutely not a waste of time. I have made use of it in my political work. Anyway, I still have ambitions to complete my studies.

[Question] But has politics at the top not demanded too much?

[Answer] Obviously you have to give up something of your private life, but you also get a great deal in return. The time in the AUF has been rewarding. I believe politicians have a rich private life. Make use of the time with their families better than many others. The fact is that many people sleep their free time away. Anyway, I am quite tired of politicians grumbling about the pressure of work and lack of private life. There is no concealing the fact that we are a privileged group in society.

Politicians make more than most, and have engrossing work to spend their time on. They have chosen their occupation voluntarily and can determine their careers to a great degree. It would be better to direct attention to those with different working conditions. Many live through the same boring working operations every day of their lives. I have had enormous opportunities to learn. To meet people all over the country and abroad. Interesting foreign trips, including a visit to the PLO and its leader Yasser Arafat.

Want Society Based on Socialism

Oslo AFTENPOSTEN in Norwegian 21 Mar 81 p 6

[Report by Bent Inge Bye of Martin Kolberg's speech at AUF meeting]

> [Text] "The Conservative propaganda to the effect that the standard of living can be maintained for all even if taxes are reduced is a political lie. For that reason the criticism of the taxes is presented in veiled terms and usually in combination with attacks on the public bureaucracy. We shall now refute this vulgar propaganda," AUF Secretary Martin Kolberg said at the national meeting yesterday. Kolberg opened the debate on the new work program for the youth movement.

Martin Kolberg emphasized that the chief aims of the AUF [Labor Youth Organization] in economic policy are continued high public consumption and a progressive leveling with a view to more economic equality in society.

"We want a society based on the principle of solidarity. A prerequisite for our reaching the young with our policy is that we succeed in concretizing the content of the solidarity principle. If we do not succeed in that, the desire to get and possess material prosperity will become the dominant political factor. The Conservatives' motive force, 'I am sufficient unto myself,' call it egoism, will become our most important and most difficult political opponent," Kolberg said as he pointed out that the free market forces that both the Conservative Party and the Industrial Federation cherish will result in greater unemployment and powerful social shifts in society.

"I do not say that the bourgeois parties want to destroy the welfare state, but the economic policy they want to pursue will gradually cut the ground from under what we think of as social security. The distribution policy must be continued."

The AUF secretary definitely advocated the introduction of an income ceiling into the tax policy.

"But the labor movement is now obligated to provide for a more equitable tax system in general. We have gotten into a blind alley in the debate on a new system. And that is due to a lack of political will to strike at the root of the evil."

The fight against narcotics abuse stands as one of the most central tasks of the AUF. Kolberg also touched upon that subject in his introductory speech.

"Increasing abuse of alcohol and narcotics is a painful sore with deep-rooted causes. In its wake there is increasing and alarming youth criminality. Among other measures, we propose increased resources for the police. But drug abuse and youth criminality cannot be solved by the police alone. But it must be recognized that the rôle of the police in the fight against the sharpers and fences is quite essential."

Kolberg went into what he said are causes of the development of drug abuse and youth criminality.

"There is a clear connection between youth unemployment and drug abuse. Unemployment casts threatening shadows over the whole western world. The causes are as clear as they are difficult to grasp. Crisis in the western capitalist economy."

The AUF secretary also made it clear that the AUF will fight in the coming period for different content in the school curriculum.

"The bourgeois forces are pleased with today's schools because they serve their interests. It is only on paper that the schools are neutral. The concept of neutrality is interpreted in a bourgeois spirit. Everything that has a connection with the labor movement is politics. Everything that is clearly bourgeois is neutral. The schools shape the society, and therefore we must now take up the fight over the content of the schools and we must do it before it is too late," said Martin Kolberg.

The work program that was presented at the national meeting is a very extensive document that covers subjects from immediate environment and conditions of growing up to oil policy, modern technology, and defense and security policy. In several connections the national meeting stated its position on NATO. The AUF's goal is withdrawal from NATO and military disarmament. But in his introduction to the draft of a new program of principles Thursday, AUF Chairman Thorbjørn Jagland said that it is necessary to look upon the engagement in defense and security policy as a part of the European détente and disarmament work. Jagland emphasized that it is important to gather all forces, across old lines of demarcation, for the fight against atomic weapons.

Group Continues Growth

Oslo ARBEIDERBLADET in Norwegian 21 Mar 81 p 6

[Text] "Without false modesty we can assert that the AUF today is Norway's most meaningful political youth organization," Anne Lise Bakken, vice chairman of the AUF [Labor Youth Organization], said at the national meeting yesterday. The statement was made in connection with the presentation of the report on the previous period. Anne Lise Bakken praised the AUF'ers as a group for their active political involvement.

"The activity has been good. It has not been noticeably affected by the despondency and lack of initiative that have sometimes made themselves felt in the parent party," the vice chairman of the AUF said.

The youth organization is growing. That was apparent from the report. The AUF now has 402 active chapters, a net increase of 82 chapters since the time of the last national meeting. The organization now has full-time and part-time secretaries in 15 of 19 counties. There has been especially great progress in the school sector, where there are now 1,500 school contacts. The political and organizational schooling within the AUF was also characterized as highly satisfactory. There have been 2,500 participants in Stage I of the so-called AUF school in a year.

Secretary Martin Kolberg, who also introduced the debate on the report, referred to the cultural work as AUF's pride, but also emphasized that the offerings must be broadened.

"The AUF must develop into a social opportunity for youth in the local neighborhoods. If we are to accomplish that, our cultural activity must be further expanded. We must rely greatly on that in the time to come," Kolberg said.

Group's Radicalism Faulted

Oslo AFTENPOSTEN in Norwegian 19 Mar 81 p 11

[Report by Erling Koldaas]

[Text] The AUF, the Labor Party's youth organization, wants to present itself as an organization on the advance and as the

foremost exponent of democratic socialism. At the opening of the AUF's 37th national meeting in Oslo today, however, there are many who set a big question mark beside both the organization's effectiveness and its ability to make political contact with youth, and most expect little change in the part played in recent years as an almost constant disturbing element for the Labor Party.

A good 300 delegates gathered this morning for a 4-day national meeting, with revision of a 10-year-old program of principles, a new work program, and election of a new central committees as the most important points on the agenda.

The AUF does not look upon socialism as a final goal, but wishes, through its new program, to place itself in the ideological traditions of democratic socialism. The organization regards socialist politics as the most important means of creating a society marked by greater freedom and equality.

It has been pointed out earlier that the AUF functions as a mouthpiece for the so-called leftwing of the Labor Party, and that this is the most important reason that the youth organization has had a fairly free and at times influential position within the party apparatus.

The draft work program advocates transferring the management of the capital of the insurance companies to the state-run commercial banks and state banks, and many will see this as a sign that the AUF is retaining the above-mentioned function. On industrial democracy it is resolved that the right to make decisions in the plants belongs to labor and not to capital.

The AUF stands firm on its demand that Norway withdraw from NATO. The Norwegian air force and navy shall be limited, according to Labor Party youth, while the capacity for civilian resistance shall be increased. Compulsory military service for women is also on the platform.

The outgoing chairman of the organization, Thorbjørn Jagland, has made himself the spokesman for the proposition that the post of chairman of the Labor Party and that of prime minister can quite well be assigned to two persons in the future as well. That is interpreted by many as a clear declaration of confidence in Reiulf Steen, and there is a possibility that the national meeting will follow that up when the Labor Party chairman reports on the political situation Saturday morning.

The AUF's chairman, vice chairman, secretary, and four other central committee members have said no, thanks, to reelection after this period. There are two candidates that have announced themselves as willing to succeed Jagland, and the one that is assumed to be in the best position is the journalist Egil Knudsen, of Drammen. His opponent is the present central committee member Siri Bjerke, but she is not expected to be a match for Knudsen.

Anne-Lise Bakken, member of the Storting, is the incumbent vice chairman, and for that post Lars Norvald Moe is so far the only candidate. He is employed by the Iron and Metal Workers' Union. Siri Bjerke is not in question for the post of vice chairman.

The AUF itself insists that the organization is today the most effective and best organized youth organization in Norway. The Labor Party youth organization has 402 local chapters spread all over the country, and it is emphasized that 97 of these are new in the course of the last 2 years. But at the same time there is an undertone of self-criticism within the organization today, as the Labor Party has had considerable recruiting problems among the younger voter groups. Polls have shown figures of below 30 percent adherence, and critical voices within the party have given the youth organization a great deal of the blame for that.

In many ways this national meeting has taken up these indications and is making an attempt to meet the criticism with a new program of principles and a new work program. Whether the content is satisfactory is up to the AUF and the parent party to decide.

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CSO: 3108/117

STORTING COMMITTEE CHAIRMAN FINN KRISTEN NAMED INDUSTRY MINISTER

Oslo AFTENPOSTEN IN Norwegian 4 Feb 81 p 4

[Article: "Kristensen to Take Over Familiar Tasks"]

[Text] The objective of Norwegian industrial policy must be to obtain an interaction between traditional industry and operations within the oil sector, says the new Minister of Industry Finn Kristensen, who takes over the Department of Industry after Lars Skytoen. The industry must have enough income possibilities to pay decent salaries and to generate reconstruction work, says Kristensen.

When Kristensen today takes over as chief of the Department of Industry, he leaves the Storting where for a year and a half he has been the chairman of its industrial committee. To questions about whether he himself thinks that he has certain qualifications to fulfill the assignments imposed on the minister of industry, Kristensen brings out his experience gained from working on the industrial committee.

"There I have come to know the matters on which the department works. I am not unqualified when it comes to industrial policy," says the new cabinet minister, who takes over as head of the department at noon today. Kristensen especially stresses the two important issues in industrial politics that will be taken up shortly in the Storting, namely the industrial report and bringing the Statfjord-gas ashore. With respect to the Statfjord-gas, Kristensen says that he has not yet taken his final stand on that.

The new cabinet minister is fully aware that the Ministry of Industry can be a difficult department to direct. He emphasizes industry's important place in the Norwegian society as a contributor to creating revenue needed by the community. Kristensen says that reconstruction within the industry must be a continuing process. That will make it easier to solve reorganization problems in the industry.

"Actually I had not expected to be asked to be the new minister of industry. I was not certain that Skytoen wanted to go back to the labor movement, a decision I think most will regret, says Kristensen.

Finn Kristensen was born in Brevik and has represented Telemark for the Labor Party in the Storting since 1969. He was a regional secretary for the Labor Party before he entered state politics. Kristensen is an electrician by trade and has

practiced his trade both at the Dalen-Portland Cement Plant and at sea. He has also been an instructor in the Workers Information Federation.

PHOTO CAPTIONS

1. p 4. I am not unqualified when it comes to industrial policy, says the new Minister of Industry, Finn Kristensen. He has been the chairman of the Storting's industrial committee for a year and a half.

9583
CSO: 8139/0882

AUF APPEAL KEEPS SISSEL RONBECK AS CONSUMER MINISTER

Oslo AFTENPOSTEN in Norwegian 4 Feb 81 p 4

[Article by Erling Koldaas: "Ronbeck Did Not Want to Transfer"]

[Text] With good support of the Workers Youth Organization [AUF] Minister of Consumer Affairs and Administration, Sissel Ronbeck, managed to prevent being transferred to the Ministry of Commerce. Gro Harlem Brundtland requested the transfer and received support for it in the central steering committee.

After yesterday's first government meeting, Sissel Ronbeck emphasized that she had very little interest in changing ministries. Ronbeck stated that the reasons for this are the demanding matters waiting to be processed in the Ministry of Consumer Affairs and Administration on which she wants to take part in making the decisions. And, she pointed out, for another tough election campaign a change will mean an extra burden.

According to our information Ronbeck clearly expressed that she did not wish to take over the Ministry of Commerce, which was not approved by Mrs Brundtland and the party leadership.

Yesterday morning the central steering committee expressed support for the new prime minister's cabinet list. At the same time, the AUF agreed that the organization's former chairman did not have to be transferred against her own will and the matter was clarified in favor of minister Ronbeck during a few rounds of discussions.

The incoming prime minister does not in any way want to characterize the development in this case as any kind of defeat, and emphasizes that an equally good solution was obtained in this case by appointing Permanent Under-Secretary Kari Gjesteby the new minister of commerce.

9583
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KARI GJESTEBY NAMED TRADE MINISTER

Oslo AFTENPOSTEN in Norwegian 4 Feb 81 p 4

[Article by Morten Malmo: "The New Minister of Commerce Pleased, But: Preferably More Women!"]

> [Text] I am surprised myself that I am taking over the management of the Ministry of Commerce and Shipping, says Kari Gjesteby. It was her first reaction to the fact that yesterday it became clear that she was to succeed Reiulf Steen as minister of commerce. Gjesteby says that she is pleased that the new administration has more female ministers than the departing administration. However, there could have been many more, she says.

Gjesteby is now permanent under-secretary in the Ministry of Finance, headed by Finance Minister Ulf Sand. She is a 34-year old civil economist from Oslo.

Gjesteby says that it was only yesterday morning that Gro Harlem Brundtland called and asked if she would like to join the new administration. "It was not clear at that time whether I would be in charge of the Ministry of Consumer Affairs and Administration or the Ministry of Commerce and Shipping." Gjesteby says that she is pleased with the final outcome after Sissel Ronbeck had made it clear that she did not want to leave the Ministry of Consumer Affairs and Administration.

[Question] Are you pleased that the new administration will have more women than the old one?

[Answer] Yes, but there could very well be more women in the Cabinet! At least when taking the long-term view.

Gjesteby has experience from four departments but has not worked in the Ministry of Commerce before. Nevertheless she is familiar with the operations of the Ministry of Commerce through her budgetary work in the Ministry of Finance.

"I have great respect for the ministry's domain and today I do not want to submit any program formulations. One should realize that there are many characteristics shared in the work of the various departments," says Gjesteby.

Before Gjesteby took over the position as permanent under-secretary in the Ministry of Finance, she was employed at the Nordic Council of Ministers in Copenhagen

as secretary for the NORDSAT-committee. From 1976 to 78 she was permanent under-secretary in the Ministry of Church and Education headed by Kjolv Egeland. Before that she was a political secretary in the Ministry of Consumer Affairs and Administration headed by Odd Sagor. For further background identification it can be mentioned that Gjesteby was a member of Oslo's city council during the period 1975-79; that she has worked as a consultant in the work environment department of the Ministry of Labor and Local Government and that she was a secretary for the so-called Holler committee.

PHOTO CAPTIONS

1. P 4. Being only 34-years-old Kari Gjesteby can be characterized as a young veteran in politics. She will be Norway's first female minister of commerce.

9583
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FORMER AUF OFFICER BJORN SKAU NAMED JUSTICE MINISTER

Oslo AFTENPOSTEN 4 Feb 81 p 4

[Article by Thorleif Andreassen: "Feels Secure--Without Law"]

[Text] Bjorn Skau admits that he was surprised when he was asked to become minister of justice. It only happened yesterday.

"I have not gathered my thoughts together yet, but the thought of being a minister will not affect my night's sleep," Skau asserts to the AFTENPOSTEN.

[Question] How did the family react to the news?

[Answer] "I first discussed the matter with my wife. She is usually a calm person, just as she was in this case. My son was also surprised. He is going to be a carpenter and was out on a job when somebody told him that his father was going to be minister of justice. I have not talked to my two other children yet." chuckles the hospital director in Buskerud.

[Question] You will be the first non-lawyer appointed as minister of justice in Norway.

[Answer] Yes, I am breaking a tradition. It is difficult to say how it will work. But in the department itself there is solid legal expertise. The greatest problem is not going to be that I am not a lawyer.

[Question] What will be the greatest problem?

[Answer] "I don't know," says Skau and laughs. He is not eager to talk about matters he will be working on as minister of justice.--This also includes the Alta-issue, he points out.

Bjorn Skau is not a unwritten page in politics. He has held a series of honorary posts within the labor movement, among others that of the vice chairman in AUF [Workers' Youth Association] and chairman of the Framfylking. Skau has also been a member of a series of local and governmental committees.

The new minister of justice started his career as a journalist. He was only 17 years old when he became attached to the Labor Party's press group. For a short

time, 1957 to 58, he was a press adviser in the State Sobriety Council. Skau became a political secretary in the Ministry of Social Affairs in 1959. He held this position until 1965 when he was appointed permanent secretary in that same ministry.

After some time with the ARBEIDERBLADET Skau was appointed city manager of Skjeberg in 1967. On leave from this position, Skau worked for 2 years as section manager in the cultural secretariat of the Nordic Council of Ministers in Copenhagen. Skau took over as hospital director in the Buskerud district in 1978.

PHOTO CAPTIONS

1. P 4. Only yesterday was Bjorn Skau asked to be minister of justice. "The request came as a surprise both to me and my family." admits Skau.

9583
CSO: 8139/0882

RESULTS OF AEGEAN TALKS DISCLOSED

Istanbul CUMHURIYET in Turkish 21 Mar 81 p 3

[Excerpt] Ankara, CUMHURIYET BUREAU -- The talks in which the secretaries general of the Turkish and Greek Foreign Ministries have been engaged since the first of the week came to an end yesterday with mutual agreement reached on the further elimination of one section of the danger zones in Aegean air space, and in the words of Turkish diplomats, "A point was reached at which it became clear what can be done and what cannot be done" in the Aegean air space problem.

The eighth session of the Foreign Ministry secretaries general's meetings concluded with Ambassador Kamuran Gurun and Ambassador Stavros Roussos meeting again yesterday morning to evaluate the work done at the technical level and putting in final form the text of the joint statement which it was announced would be released today. The talks ended as meetings in which certain concrete decisions were reached for the first time in the secretaries general's dialog. Ambassador Gurun told reporters, "The secretaries general were able to reach agreement on certain matters in the eighth session. This is the first time."

Greek Foreign Ministry Secretary General Roussos, who answered Turkish reporters' questions after the meeting, said that "agreement was reached on certain matters for presentation to the ministers," adding that "unity of view was achieved in many areas." According to authorities who attended the meetings, the decisions reached in the talks between the secretaries general will be submitted by both sides to their own foreign ministers. These decisions will be announced at the bilateral discussions which Foreign Minister Ilter Turkmen and Greek Foreign Minister Mitsotakis will hold during the NATO meeting in Rome in May.

Greece's 10-Mile Claim Not Mentioned

According to information obtained, the roster of problems related to the Aegean conflict between Turkey and Greece was reviewed in the talks, but emphasis was placed on new reciprocal arrangements to be made on Aegean air space. Greece's claim to national air space of 10 miles instead of 6 miles in violation of international civil aeronautics rules was not mentioned. Authorities said that the 10-mile claim opposed by the Turkish side had not been placed on the agenda beforehand.

No Continental Shelf Progress

Although the continental shelf was mentioned in the eighth session of talks, this problem has not gained any priority. At the end of the meetings, both Turkey and Greece still retained their rather distant positions on the continental shelf problem. Greece had proposed earlier that discussion of the continental shelf problem between the sides be frozen for the time being to await developments at the International Law of the Sea Conference. Ambassador Stavros Roussos, asked "Can we expect any progress on the continental shelf problem?" by a reporter after the meeting yesterday, replied, "Reference will be made to the continental shelf problem in tomorrow's communique. But the continental shelf is not one of the areas in which we have made progress."

Again according to meeting sources, Greece's nationalization of the Turkish foundations in Western Thrace was not gone into in the framework of the Western Thrace problem during the talks. A Turkish diplomat said, "The problem of the foundations is being discussed through diplomatic channels."

Development in Aegean Air Space

As to Aegean air space, which turned out to be the priority topic of the talks, detailed technical studies were made on opening certain danger zones which Greece announced unilaterally in international air space over the Aegean. This issue was creating a problem primarily because Greece was requesting flight plans for military flights for which flight plans need not be reported. Greece is expected to open up another of these danger zones in the days ahead.

Most recently Greece had undertaken a series of arrangements 2 weeks ago accommodating Turkey as to civil flights, but still restricted, contrary to international agreements, the W-14 air lane in international air space over the Aegean which it has closed to civil aviation and the area which it claims as national air space over Limni Island.

A New Step Toward Softening

According to diplomatic observers, the meeting of the secretaries general was a meeting in which the sides have kept intact their own views on the basic problems in the Aegean,but progress was made in certain limited areas in which there was a chance of agreement. In fact, when Ambassador Roussos was asked, "Did new approaches emerge in the solution of basic problems?" he said, "Don't ask me embarrassing questions." Turkish diplomats, evaluating the results of the eighth session of talks between the secretaries general, said, "Another step has been taken toward the softening visible between the governments in certain specific areas recently between Turkey and Greece."

8349
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BRIEFS

NORWEGIAN-DANISH TORPEDO TESTING--A number of Norwegian and Danish naval ships are coming to Karlskrona [Sweden] next month to carry out torpedo testing, among other activities. In the early 1970's a development agreement was initiated between Sweden, Norway and Denmark. Practical tests shall now be performed, and that is why the Norwegian torpedo boat "Geir" and the landing assault craft "Rotsund," as well as the Danish submarine "Nordkaperen" and the new corvette "Olfert Fischer" are coming to Karlskrona. The ships will stay for approximately 1 month. [Text] [Stockholm DAGENS NYHETER in Swedish 15 Apr 81 p 16]

CSO: 3109/150

POSSIBILITY OF ANTIMISSILE DEFENSE DEBATED

Paris DEFENSE NATIONALE in French Mar 81 pp 167-169

[Article by Bernard Dyle: "Is Antimissile Defense Possible?"]

[Text] The destruction of the Eilath in 1967 by the Egyptians brought about on the sea the reign of sea-to-sea missiles and the proliferation of small vessels--frigates and patrol boats--armed with these weapons. Veritable little Davids, these light vessels, which moreover cost little to build, en-danger the Goliaths, which are, compared to them, vessels designed for the high seas, displacing several thousand tons.

The poor man's aircraft carrier, these missile launchers, whether large or small, which see the range, precision and power of their weapons increased day by day, represent a danger which cannot be ignored, especially when the general strategy and the normal position of forces are, in principle, defensive. Indeed, the cases will be rare in which the initiative--and the advantage--of the first strike will fall to our forces and the result would be disastrous if, because of luck or surprise, or chance, a David were to strike down one of our Goliaths.

Certainly, tactical maneuvers still retain their preeminence and remain the only resource as long as arms are muzzled. Keeping the enemy at a distance, wearing him down, tiring him out by requiring him to maneuver at high speed over a long period of time, targeting him, making him feel and understand that punishment would be immediate, are the classic ways and methods of sea warfare.

Nevertheless, maneuvering by itself has its limits and evasion can only work so long.

Destroying the delivery system is the most efficient and most radical solution, but, as was pointed out above, to wait and expose oneself to the first strike sometimes becomes necessary. But the danger is great, because the first missile will not be the only one and it can come from the surface as well as out of the sky.

So, the problem arises: Is it not a gamble to destroy a missile in flight? Is not the practice like that of shooting at an artillery shell with a pistol? Also just as always, as soon as the weapon appears, the parry has already been prepared. Only three methods permit us to counter the attack:

—prevent the firing,

—confuse or misguide the missile,

—destroy it.

Except for the destruction of the delivery system, preventing the firing means denying the adversary the possibility of obtaining the elements he needs to program his missiles. This is where electronic warfare comes into play: jamming, confusing signals, deception are the key words.

Similarly, once the missile has been launched, to jam its guidance system, to deceive it, to attract it by a false echo, are also appropriate and effective methods. But the cost is great: one must constantly keep abreast of the development of successive generations of guidance systems. These become constantly more complicated and their "intelligence" increases: capable of recognizing jamming, they lock in on the source...; they can distinguish false echoes from the real ones; they are becoming perceptive enough to avoid the traps. When electromagnetic detections becomes impossible, they look for the infrared radiation produced by any heat source...; they can be aided by a television camera and "see" their objective, etc.

To try to defend against all these threats would mean erecting an array of all kinds of antennas, of all kinds of decoy launchers, with the certainty that 5 or 6 years later, all that equipment would have to be replaced and adapted to a new kind of threat.

The effort is, however, necessary and no path in this area must be left unexplored. Electronic warfare might once have been seen as the ultimate spectacle: it must be admitted, however, that is has its limits and that, in the race between weapons and defense, defense is always a little behind, since it has to meet the ruse head on, understand it, dissect it, and find a way of responding to it.

There remains the solution of destroying the missile. As always, in the matter of firing, two philosophies are present: sending many projectiles with little accuracy into the target area, with the firm conviction that one of them, at least, will reach its goal, or sending, with great accuracy, a single bomb, a weaker one, directly on target. The first procedure makes use of rapid fire, multi-tube guns at a rate of fire which can reach 8,000 rounds per minute (135 rounds per second!). The other uses the antimissile missile, whose complexity one can see immediately, both in its propulsion and in the required accuracy of the guidance system, as well as in the capacities for development and the speed with which it can be placed into operation. The fundamental problem remains detecting the attacker and supplying to the weapons system the information on the affacker: the location, azimuth, distance, speed, acceleration. The limits of electromagnetic detection were reached some time ago: a target at low altitude is lost in the parasitic echoes due to the reflections from the water and a radar beam, as narrow as it may be, is still too broad to pinpoint the missile if the missile is flying at a low altitude. In addition, radar is not a finely tuned system, it shows a source of beams on which the guidance system of the missile "locks in."

for more than 10 years, studies have been carried out to perfect passive infrared detection systems, which would be sensitive enough to "see" at a great distance and accurate enough so that the information obtained is precise enough to be able to aim weapons. Progress in electronics and the development of microprocessors have enabled us to deal with signals received, with sufficient precision (discrimination, coherance, correlation) and with sufficient speed to approach the required accuracy. There was still the "distance" factor, which is indispensable to be able to "lock in" and pursue the target, and which is not furnished by the passive system... the laser telemeter has provided the solution. But the laser beam is so thin that it must be aimed with great accuracy at the target in order to obtain an echo. There cannot be sufficient accuracy without distance, there cannot be a distance without great accuracy in aiming, or in other words, it was a vicious circle or a case of squaring the circle, which 10 years of effort, studies and progress in the mastery of electronics, have enabled us to break.

Today the system has gone beyond the experimental stage and has arrived at that of the prototype, with extremely encouraging results. Nevertheless, it has two faults inherent in the very nature of the beams used: infrared is, in fact, absorbed by clouds and rain.... and the sun is a source of heat and of radiation far stronger than any airship turbine will ever be or the skin of the missile warmed by friction with air... The system is therefore blind in the azimuths in the vicinity of the sun, as well as in rain or clouds. The solution consists in combining television, radar, infrared and laser telemetry in order to have, in all weather conditions, at the same moment, possibilities of observing and detecting at a sufficient distance, the acquisition of the target information and its automatic pursuit. Theuse of mixed fire, radar-optronic or purely optronic, will be operational by 1984. This constitutes a major step forward in this difficult area in the antimissile struggle. The performance of associated defense weapons systems, guns or missiles, still merits being perfected up until the day when it will be possible to give a laser beam enough energy to make it the real "death ray" of science fiction, if not capable of destroying the solid structure of a missile, at least of disorganizing the head by burning up its guidance system... That day is not so far away and once again truth will be stranger than fiction.

Philosophically, however, defending oneself and protecting oneself against attack is fine, but striking first and imposing one's own law is better.

No defense can be impenetrable. Whatever means one may have, the art of the leader will always be to recognize the precise and fleeting moment when he will have to make a decision which will inevitably lead to success or failure.

8956
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PROFILE OF DEFENSE MINISTER PUBLISHED

Athens AKROPOLIS in Greek 22 Mar 81 p 8, 18

/Article by G. Leondarios: "Evangelos Averof: The Unknown Side!"/

/Text/ "Unfortunately, I don't have much time at my disposal to cover everything, everything you would like..."

"Then, let us not waste time..."

Behind the huge desk loaded with military documents, reports, messages, papers, all kinds of books, flowers and pictures of his daughters, Natalia and Tatiana, Evangelos Averof speaks in his warm baritone voice and smokes constantly.

Indeed, he did not have much time at his disposal, but eventually he did find time! For two afternoons I sat across from his desk at the Pentagon /Ministry of Defense/ after everyone else had left, and we stayed until late in the evening, while in the anteroom one aid-de-camp, Platis, a young naval officer, waited patiently, a faithful assistant and vigilant guardian. On the walls of the impressive office paintings of renowned artists portray scenes from various wars in our history.

As I look at the minister of national defense opposite me, answering one of the several telephones on his desk, pressing the various buttons, lighting one cigarette after another, I cannot help but think that this time we did not enter the house of the minister through the "service entrance" but we came in through the main gate of the...Pentagon!

It is not easy to write on the personality of Averof. At least it is not easy to do so in the limited context of a newspaper report; his activities are many and multi-faceted.

A dynamic political personality, an able diplomat, a distinguished author, the man who gave Ioannidis "a kick in the shin," he is a pleasant interlocutor, charming, a person with a sense of humor who knows how to captivate his audience.

The minister of defense begins his day at 0700 hours with...exercise and a walk on the quiet streets of Kifisia. He loves to walk and finds walking a very healthy habit. He walks 2.5 kilometers in the morning and 2.5 kilometers in the afternoon.

Where does he walk in the afternoon? Around the...Pentagon! He knows that some people call him the "phantom of the Pentagon," but he does not mind!

Before he leaves for his office he receives in his home in the city corpatriots from Ipeiros and other friends who want to talk to him, usually about hiring someone or transferring an officer to a better post. In both cases his answer is negative. He does not do such favors.

Then the office routine starts which lasts until 1400 or 1500 in the afternoon--meetings, appointments, visits by deputies, and so on. Many are those who want to see him. Requests for appointments are many; not even half can be honored. Most are referred to his military or political office. There are also mornings which are completely closed because of meetings with the participation of the leadership of the Armed Forces.

He does not go home in the afternoon. He takes a nap in a small bedroom next to his office at the Pentagon. Even at night he does not sleep for more than...5 hours!

Surprise [Visits]

It is a fact that Averof works a lot. He works even in his...car. He has a light above the front seat and as the car moves through the confusion of traffic in Athens, he writes comments on military reports and so on. He loves to make surprise visits. The commanders of military units in various parts of the country are startled when they see a helicopter landing and the minister of defense briskly stepping out. "Yes, I make inspections without forewarning," he says, "and the helicopter is a great convenience."

The strange thing is that Averof finds it possible to cover a variety of tasks and he talks with pride about his faithful assistants in the armed forces, in various posts, regardless of rank.

"Some people may think that I am a jack of all trades, that I do a number of things and that is true--but first of all I am minister of defense. And I do my job properly, thanks, above all, to the outstanding colleagues I have not only as chiefs of the services but also others placed in confidential positions, from majors to lieutenant generals, and even some who are only ensigns or second lieutenants..."

Parmesan Cheese-[Grade] AA

Political personality, minister of defense, author, but also a man who in his home-town deals in cheese, wine, and so on. Many times I ask myself if all this is true, or simply an invention of his political opponents who want to make fun.

"How much of what they say about your other occupations is true, anyway?"

He laughs good-naturedly. "Yes, it is true that I am involved in many things. Unfortunately, most of that is done by phone, not by using the plow or the pruning shears. But I follow things regularly--I mean the planting, the wine-making, the cheese-making, the anti-erosion projects, and so forth."

"But here they say that you know how to make cheese yourself, you know when it thickens and when..."

"Of course, I know! Not only simple cheese but even the most difficult: parmesan. Keep in mind that parmesan is not produced in any part of Europe except in Italy. In Metsovo, we produce parmesan cheese which is better than the Italian. Unfortunately, we produce a small quantity which is sold locally because we now have many Greek and foreign visitors coming to Metsovo."

"Why don't you produce more?"

"Because we do not have enough cow's milk and because parmesan is a kind of cheese that takes a lot of milk!"

Recipes...

"What do you mean, 'it takes a lot of milk'?"

"Since you question my expertise in cheese-making, let me tell you things you don't know! You need 3.5 kilograms of milk for 1 kilogram of feta cheese. Kaseri and Kefalotyri require 5 to 6 kilos, but for 1 kilo of parmesan cheese you need... 13.5 kilos! Half of that must be skim milk--do you know what skim milk is? No cream and it doesn't go through the machine."

"I know that you also produce wine..."

"The cheese is produced by the Tositsa Foundation. The wine is my personal venture which will be turned into a...cooperative after my departure from this world! I cannot say that it is a very profitable enterprise because here, too, the quantity is not large. But the quality is such that in a wine festival in Paris where 320 Bordeaux wines from 35 countries were entered I got seventh prize with two French wines ahead and three French wines behind mine! I would like to say that I follow the rules of French wine-making. In this I am assisted by the advice I get from the director of the Wine Institute, Madame Dragona-Kourakou. She is an internationally known wine specialist. I also get help from the other director of the institute, S. Botiropoulos. I think that this wine will be produced in more varieties because we are expanding the cultivation of those vineyards. How? By grafting my vines in the excellent greenhouse of agricultural specialist Th. Kasaros. I should add that I got the vines directly from France, the kind of vines the French do not easily export. Last Wednesday I received a quantity of 1,500 vines of a similar variety which will improve the quality..."

"Expensive Wine"

Averof lights a cigarette, gets up, walks around the office, sits down again, and adds: "The reason I am doing it is because exactly 250 years ago Metsovo produced approximately 300,000 okas of wine! But phyloxera destroyed the vineyards. Besides, we should not forget that today both grapes and wine can be transported easily by truck so the local people do not feel the need to work hard in the vineyards. We now have only the small vineyards of a few connoisseurs."

He ponders for a moment, then he says: "I am trying to develop a high class, expensive wine which will leave some profit for the producer so that the deserted vineyards will be restored."

"What do you mean by expensive wine?"

"I sell--my price--for 250 drachmas a bottle! But this makes it possible for me to buy the few single-variety grapes for 36 drachmas a kilogram. I hope that when the general costs come down due to an increased quantity, I will be able to pay 50 drachmas for the grapes."

"Fokion, You Forgot Me!"

Cheese, wine, Metsovo... He does not hide his love for his birthplace, and since he is free of hangups he does not hesitate to tell you that when he goes to his farm he likes to don a...shepherd's moccasins (tsarouchia)! His friend, [the late cartoonist] Fokion Dimitriadis, knew that [habit] and he liked to satirize him in his cartoons the way nobody else ever did!

Yet Averof was not offended by the cartoons of the unforgettable political cartoonist. On the contrary, whenever he failed to see for a few days the satiric pen of the great cartoonist turned against him, he used to call him on the phone:

"Fodion, you forgot me!"

Also, he never failed at every opportunity to emphatically state to everybody:

"I feel proud to be a descendent of the old shepherds of the Pindos Mountains..!"

For Ipeiros, Averof has been the political leader, the man who personifies the pulse of the Ipeirotan land; many of the projects there bear his personal stamp.

"Are you occupied with literature lately?"

"Yes, I read a little, and when I feel like it, I do some writing..."

A political leader who always occupies one of the most crucial ministries is also an author with a great deal of work that has received international recognition.

How in the world does this political leader find time for the author in him?

"If one wants to, he can make the 24 hours stretch into 48!" Then he becomes serious: "What I said may be just a figure of speech. The truth is that I find time to write because writing for me is a break, an intermission, from the heavy responsibilities and the other pressing tasks. Therefore, it is not strange that I find time. I usually read or write after midnight."

"Is it true, as rumored among theater people, that you are writing a play?"

"It is true, but one cannot speak of a play until it has been produced on stage. And I cannot yet be sure about it. I said that it must be produced on stage

because a play is not just writing, it is not just a text. A play is text plus acting, plus directing, plus many other things such as light and sound..."

"Is its subject from antiquity like the 'Return to Mycenae'?"

"No, it is entirely contemporary. It is a social drama..."

A Book on Cyprus

"Is it true that, as reported, you are planning to write your memoirs?"

"No, it is not true--not because I have something to hide! What is true is that I wrote a long book on the Cypriot question--I finished it already--and possibly it will be published during this year..."

"Does it cover the recent events?"

"No, it fully covers the period 1950-1963. Its originality lies in the fact that in addition to being well-grounded in its presentation of events, it has the narrative of the Cypriot story interrupted to introduce a few pages covering the international situation which prevailed during the various phases of the national question. Thus, side by side with the Cypriot question the reader has a concise world history of the years 1950-1963. I did that because, in order to understand the difficulties of the national question, one needs to know the major events of the time which affected the policies of other countries, especially those of the major powers..."

No doubt Averof knows those events well because he was one of the protagonists who guided the fortunes of this country during those years.

During the Occupation

It would be hardly an exaggeration to say that to write even briefly about the adventures of Mr. Averof during the [German] occupation we would need an entire volume! What can one say in the narrow context of a newspaper report? Nevertheless, his activities in Italy could serve as the "canvas" of a captivating war and spy serial!

"During the occupation I was arrested by the Italians because of my activities against the 'Roman Legion.'"

E. Averof truly fought with all his strength against the hoodlums of the "Legion" who dreamed of setting up a Pindos Principality with a certain crook known as Diamante or Diamandis the "prince!"

The Rumano-Vlahs of the "Legion" slaughtered and terrorized the area, but Averof did not bow his head and reacted effectively. The Italians arrested him and in 1942 took him to Italy.

"In Fiume I stayed in prison for 2 months. Life was miserable; we were starving. Later they took me to a concentration camp. I described my life at the camp in the

novel, "When the Gods Forget," which was also published in Italy under a different title. I remember that we were 4,000 people there, 4,000 men and 500 women. Of these women, 300 were of questionable morality! You understand what was going on! At the camp we had Jews, Tito's partisans and Mikhailovitch men who...were fighting each other, 250 Greeks from Libya and 100 of us from Greece. Later they took us, confined, to villages in Northern Italy. We were obliged to report to the local police [carabinieri] station morning and evening. We received a 13-lira subsidy. From there I escaped with a group of friends from Larissa, but we separated in Milan..."

With Forged Papers

He chuckles: "A woman--don't ask me how--helped me get away and go to Rome. I tried to cross the front lines but the front was constantly moving. I went south but I fell into the heavy fighting around [Monte] Casino, so I turned back toward Rome and with the aid of the Voulgaris brothers I contacted the Italian Resistance, that is, the Italian Communist Party and the secret organization, 'Democratia Christiana.' Gradually I organized the escape of 200 Greek officers. This inspired former Italian premier Julio Andreotti to write his short story, 'El Greco,' with me as its hero... But let us go on... Soon we set up the 'Freedom or Death' organization and we contacted Alex. Zannas who was held at a hospital in Rome under a death sentence! After that, together with one of my friends, Meletiou (he was later killed), I entered the service of the [British] intelligence which had its headquarters at the Vatican! There were a myriad of incidents during that time. I remember that the British asked us to bring them data concerning the German fortifications on the 'Appenina Line,' a defense line being prepared by the Germans. We brought to the British what they wanted. We traveled with forged papers and we were crazy enough to carry a camera not much bigger than a lighter--a camera made for spying! We passed for medicine merchants. The medicine peddlers were very popular in Rome because the industry was up north and they traveled by car carrying a full load of drugs, offering a great service. We bought the medicines, took them to Rome and sold them. But on the way to Rome we...'lost the way' around the Appenina and took the pictures!"

The chief of the British service, Colonel Sam Dary, in his book "From a Free Line" refers to the mission assigned to Averof and Meletiou and notes: "I did not have much hope that these two Greeks would return from this journey."

In Rome one day Averof came upon a Gestapo dragnet. The Germans had information that a British agent was in the area. The noose was tightening and within minutes he would fall into the hands of the Germans. Averof saw a...whorehouse! He had no choice. A beautiful woman with flashy makeup saw him, gun in hand, and understood what was going on. She took him into her bed and when the Germans came in they saw a couple embracing in bed! They paid no attention and left...

Maybe that woman was a "butterfly" of free love, but Averof owed her his life. So many years have passed since, and he never found out her name, but he has never forgotten her. We asked him: "Did you ever see her again?"

"No. Many years later, after the liberation during a trip to Rome I passed by that house. But...I was with my wife..!

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RIKSDAG MUST SOON FACE KEY BUDGET DECISIONS FOR MILITARY

Stockholm DAGENS NYHETER in Swedish 28 Feb 81 p 2

[Editorial]

[Text] The record years are in the past, even for Sweden's defense.

One indication of this was the preliminary report presented Friday by the Defense Committee of 1978. At present, no members of parliament are advocating planning for a higher economic level. Also noteworthy is the rapidly developing interest in protecting the Swedish people if the unthinkable occurs--a war of terror. A third delicate issue is the question of how many draftees should receive military training. It seems that the really intense defense debate (by Swedish standards) will wait until fall, when the Defense Committee will present its final report. At that time proposals must be made for procuring planes and, after the so-called death patrol has traveled around the country, the number of nonmilitary units. At that time, a new price control system will also be proposed to replace the present arrangement with its somewhat peculiar effects.

Of immediate political interest, of course, is that the Social Democrats on the committee are advocating lower appropriations for military defense. They say that total defense expenditures during the coming defense appropriations period should be "at most" the figure currently indicated in the national budget. The civilian sections of the total defense should have more.

It is not exactly easy to reconcile the Social Democrats' trimming of military defense with all the goals the committee as a whole seems to be seeking for the defense forces.

There is no skimping in this area: attack capabilities and anti-tank defenses should be given priority. The number of mechanized units and units for fighting in northern Sweden should be increased. There should be a "large" number of units. Missile-carrying ships should be obtained. The number of submarines should be kept "as high as possible." We should have "effective fighter squadrons" and better anti-aircraft missiles.

Well known, but certainly also well justified, is the fact that the members of parliament, in word at least, do not want to forsake their previous goals with respect to the ability of the military defense to prevent war.

However, the committee believes it necessary to consider the need for measures in case this ability should be insufficient. It is clear that serious consideration must be given to the decreased emphasis on the inhabitants of the larger cities. If the civilian population is to remain at its normal place of residency, an effort must be made to build shelters in the cities. In this area preparedness is absolutely poor at present.

We cannot have gas masks for half the population, the committee determined. It now believes that in 10 years the entire population should be provided with gas masks. Most disgraceful, of course, is the lack of protection for small children. In strikingly sharp tones, by the standards of a Swedish report, the committee states that this sin of omission is "remarkable" and assumes that it would take a maximum of 3 or 4 years for series production of protective equipment for children to begin.

The Defense Committee does not deal directly with any new imminent military scenarios. It may seem a bit unusual that one of the superpowers, the United States, is expressly pointed out as a problem for us because of its upcoming nuclear armed cruise missiles.

For a number of years, nuclear weapons have been forgotten in Swedish defense reports, but as mentioned the committee has taken notice of the criticism against its earlier reasoning, primarily from the Civil Defense Board. It is now stated that increased attention must be given to protection primarily against nuclear weapons, but also against chemical weapons. The committee members seem to believe that Sweden must be able to withstand the limited use of nuclear weapons. In this case, is there anyone who dares to say what "limited" means?

Nevertheless, criticism against the trend in Swedish defense planning to concentrate on a conventional defense against a conventional attack has had no great effect on the committee members. They say that a Swedish defense that can deter a conventional attack also helps decrease the risk that Sweden will be attacked with nuclear weapons.

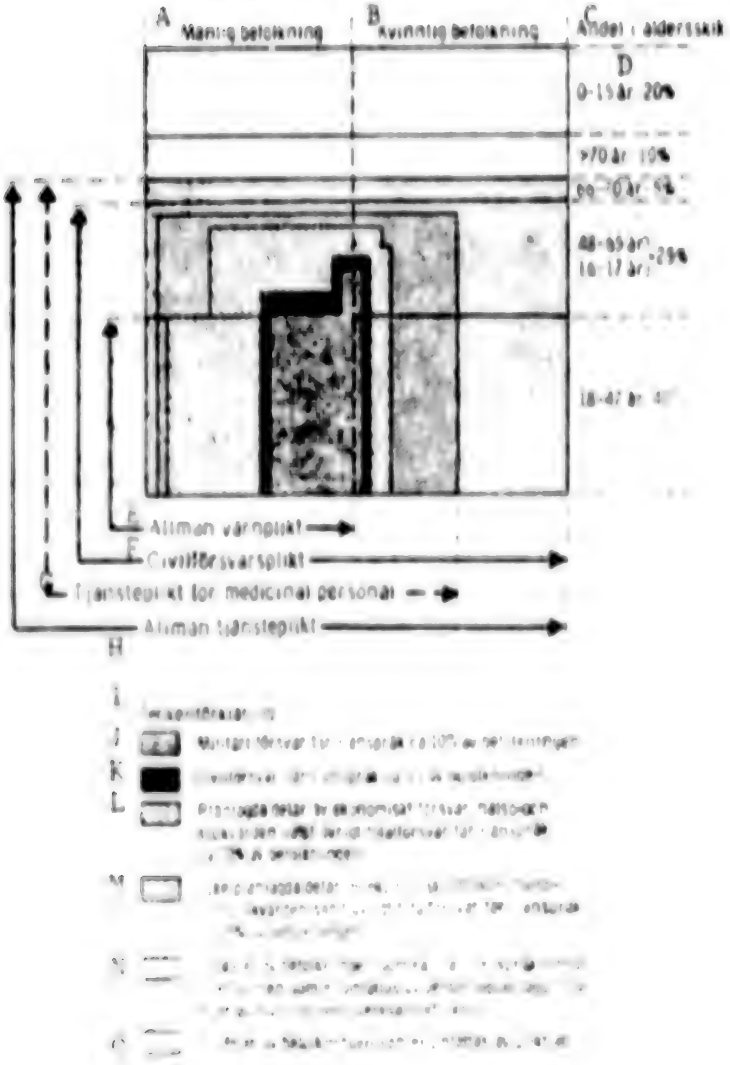
How many people should be involved in this type of defense? The committee majority determined that draftee training should by and large retain its present form, but clearly there could be a certain amount of direct recruiting of draftees for the civil defense. Not satisfied with this reasoning, the Liberal Party delegates maintained in a separate statement that in addition to the weapon-free alternative service, nearly 2,000 young men should be directly recruited for the Civil Defense.

It is difficult to understand why the entire committee could not support such a request. At least in limited circles, even the head of the army has admitted that the army probably could give up a number of draftees to the Civil Defense. The commander in chief himself has spoken of a reduced number of draftees, if only a few were involved. Now some problem seems to have arisen.

Apparently it is considered objectionable in principle to have a number of draftees get away with just 4 to 6 weeks of basic training in the Civil Defense. But the Civil Defense needs more young people and the military defense must make a great effort to reduce its noncombat units in order to maintain armed units and retain its deterrent capacity.

A reasonable solution of benefit to both sides should be appealing, even in principle.

Totalförsvaret



Key:

A Male population
B Female population
C Percentage in age group
D Years
E Universal military service
F Civil Defense
G Required service for medical personnel
H Universal required service
I Key
J Military defense includes around 10 percent of the population
K Civil Defense includes around 3 percent of the population
L Planned portions of the economic defense, healthcare, and other aspects of the total defense include around 20 percent of the population
M Unplanned portions of the economic defense, healthcare, and other aspects of the total defense include around 15 percent of the population
N Those portions of the population that can be utilized according to the service law, but that are not included in personnel planning or in industrial activity during wartime
O Those portions of the population that are not included in the service law

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DEFENSE MINISTER IRKS GOVERNMENT BY ASKING MORE FUNDS

Stockholm SVENSKA DAGBLADET in Swedish 18 Mar 81 p 8

[Article by Sven Svensson]

[Text] Defense Minister Eric Kronmark (Conservative Party) is under attack by his government colleagues for trying in an underhanded way to prepare for an increase in the defense budget over the 5-year period 1982 to 1987. Both Prime Minister Thorbjorn Falldin (Center Party) and Foreign Minister Ola Ullsten (Liberal Party) have criticized a statement by Kronmark in a press release.

The government recently established a so-called planning framework for the commander in chief for the 5 year period. In this, the commander-in-chief is to indicate what our defense will look like in the upcoming years. Later the defense committee will make the final decision.

Unnecessary

Planning is to be based on the 1980 money value. For the military defense, the commander in chief may count on an unchanged base sum of 15.4 billion. In addition, the commander in chief will outline developments in defense assuming an increase or decrease of 400 million kronor per year over and under the base sum, respectively.

The Liberal Party members of the government thought it unnecessary to investigate the alternative with an increased defense budget. We will never go along with an increase in these days of economizing, it was argued. In the end, the Liberals gave in to the argument that the commander in chief has previously been allowed to examine both a higher and a lower alternative.

In a statement on his instructions for putting together a plan, Defense Minister Eric Kronmark said:

"I assume that the instructions will make it possible to carry out a plan similar to alternative 2 in the commander in chief's long-term.

Alternative 2 means in practice an increase in the defense budget by over a half billion per year during the 5-year period.

Kronmark's statement has led to a strong protest from Liberal Party leader Ullsten.

Prime Minister Thorbjorn Falldin also protested against Kronmark's interpretation on Tuesday.

"Current plans are for no changes in the defense budget," Falldin said in a statement on Kronmark's statement.

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PURCHASE OF JAS PLANE FOR AIR FORCE WOULD COST JOBS

Stockholm DAGENS NYHETER in Swedish 11 Mar 81 p 8

[Article by Sven Svensson]

[Text] The aircraft division of the defense material works in Stockholm must be reduced drastically from the current 1,400 to around 600 employees if Sweden is to produce the new JAS warplane after the Viggen. This was made clear by the aircraft industry committee's report, which will be presented in April.

The reduction will be just as drastic if Sweden produces the JAS as it would be if planes were purchased abroad. A foreign purchase, however, would mean that the Swedish aircraft industry would begin to be dismantled in the mid 1980's.

The government is currently preparing a proposal for reorganizing the defense material works to reduce the number of employees to under 900. The aircraft industry committee estimates that this will not be sufficient and that additional personnel reductions to under 600 must be made.

Two Groups

This fall the defense committee will make a decision on the airplane issue. The choice is between a Swedish-produced or a foreign JAS. It is assumed, however, that the defense budget will include an airplane order. According to a preliminary report from the defense committee, no increased appropriations for military defense are to be expected during the next 5 years. The Social Democratic opposition has even proposed reductions.

For Sweden to maintain its aircraft industry, therefore, drastic reductions at the defense material works are required. At the same time, the industry must accept increased responsibility and risks if it delivers a Swedish-produced JAS. All redundant work must be eliminated.

The idea is that the industry would deliver aircraft systems with so-called main contractor liability. To achieve increased liability for a domestically produced JAS, the aircraft industry has formed two so-called industry groups. One group, led by Saab, is responsible for the airplanes, while the other group, led by LM Ericsson and others, is responsible for the electronics.

Dismantling

Basically, the industry would be responsible for the development of specifications and for testing, while the material works would only be responsible for the performance, reliability, and servicing of the material.

If the next warplane is purchased abroad, there will be a choice between a direct purchase and final assembly in Sweden. In either case, much of the research and testing would be eliminated, but market research would be required, instead.

The choice of a Swedish or foreign JAS will be of vital significance to the future of the Swedish aircraft industry. A Swedish JAS would mean that Saab could continue to be a developing aircraft industry, while a direct purchase from abroad would lead to a rapid dismantling of the Swedish aircraft industry.

If the motor for a Swedish JAS can be produced in Sweden, then Volvo Flygmotor in Trollhattan could increase its production of civilian airplane motors during the 1980's, the aircraft industry committee stated. If a plane is purchased abroad, no meaningful work would remain for Volvo Flygmotor.

300 Must Go

A Swedish produced JAS would mean that the electronics industry could continue at the same capacity, while a direct purchase abroad would mean minimal development and production in Sweden.

The committee determined that if the next warplane is purchased abroad, dismantling of the aircraft industry must begin in the mid 1980's.

At present, the aircraft division of the material works has so-called unified system liability. Around 500 persons are employed in testing airplane systems and missiles, primarily in Malmslatt, Karlsborg, and Vidsel. Around 300 persons should be dismissed and arrangements should be made with the air force units in the vicinity of the testing facilities, the study suggests.

Total Liability

Material maintenance is an important part of the aircraft division, with 110 employees in Stockholm and 170 at the spare parts section in Arboga. Certain reductions have already been proposed and the aircraft industry committee suggested no additional reductions.

After the defense committee has made its proposal for the next warplane the aircraft industry committee is to make a more detailed proposal concerning the organization of the aircraft industry.

A consulting firm, Bohlin and Stromberg AB, has examined the organization for ordering warplanes. The present system as far as the state is concerned and the distribution of responsibility and tasks between the state and the industry may be called a relic from World War II, when Sweden had no industry of its own, the report said.

The new airplane system should have a project leader with total responsibility, i.e. total technical and eocnomic responsibility within the alloted framework. The number of persons in the project leadership may vary between 20 and 45, the report stated.

The project leader should report to a very high official, the commander-in-chief, and report thereafter to the head of the air force. These views are reflected in the establishment by the commander-in-chief of a leadership group for a Swedish JAS.

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MANEUVERS TEST ABILITY TO REINFORCE GOTLAND BY AIR

Stockholm DAGENS NYHETER in Swedish 12 Mar 81 p 62

[Article by Thorsten Engman]

[Text] "The political situation in Europe has taken a serious turn for the worse with minor armed skirmishes between the superpowers and a sharp increase in military activity, especially in the Baltic. On Tuesday the situation was judged to be so serious that the military's special emergency forces were placed on highest alert."

This time it was a rifle company from the Royal Grenadiers, I-3 in Orebro, under the command Captain Hans Nilsson. The company was to be transferred to Gotland to carry out an assignment, about which none of the 140 men in the company was informed before they arrived in Visby early Wednesday morning.

According to the ground rules of the maneuver, the political climate in Europe was assumed to have worsened Tuesday evening following the airborne landing of enemy troops on Bornholm and elsewhere. At that time, the Swedish emergency unit was immediately sent to Visby to defend the airfield.

At 0200 Wednesday morning the alarm was sounded at company 3 in Orebro. The unit was removed from maneuvers underway in Kilsbergen several miles west of Orebro.

The motorized unit was moved during the night to Vasteras where an air force Hercules plan was waiting to take the soldiers to Gotland. There arrangements were made for the defense of Visby airfield 6 hours after the alarm sounded in Orebro.

Mutiny Onboard

During the day the company was transported to the east side of Gotland after a simulated alarm had been received from the police that a mutiny had broken out onboard a foreign torpedo boat that had sought shelter in Slite harbor. Certain activities seemed to indicate that the foreign power would try to take the boat with air support and the landing of airborne troops.

The company's new assignment was to regroup and defend the foreign boat in Slite.

The exercise was carried out by the tired soldiers with 6 days of maneuvers behind them using live ammunition and the closed-down limestone harbor in Kyllaj, 10 kilometers north of Slite, was used instead of the original harbor.

Transportation between the two maneuver sites took place in nonmilitary fashion using rented civilian buses.

"We assumed that most of the troops on the maneuver had never been on Gotland before and by choosing a "civilian" means of transportation we could take the opportunity to show the soldiers our beautiful city and part of the Gotland landscape," Lieutenant Colonel Carl-Christian Hjort said.

"From a purely military standpoint such maneuvers as this one are very important for Sweden's defense," Lieutenant Colonel Hjort said. "In a possible crisis situation, Gotland is in a very vulnerable position and it is important for us to be able to transfer units here quickly from the mainland. I believe this exercise shows that rapidly transferred units can successfully carry out the tasks and meet the high requirements we are setting."

Maneuvers involving rapidly transferred units traveling long distances will be much more common in the future in Sweden. By the end of June the air force will have received all eight of its Hercules C-130 troop transport planes and according to the commander in chief's plans it will then be possible to move entire battalions (around 1,000 men and heavy equipment) to, for example, Gotland or upper Norrland, which are very sensitive from a military strategic point of view.

"To be sure, our defense is in an economic crisis, but for our part we will do everything to allow the commander in chief to carry out his plans and use the air force to move troops rapidly and efficiently," said Major General Bengt Tamfeldt, chief of the military command on Gotland and a very satisfied observer of company .'s way of carrying out its new and completely unexpected assignments.

According to calculations made by the Karlstad Military District, which is responsible for most of the emergency units, airborne maneuvers are not much more costly than having the units carrying out their everyday activities at home with the regiment.

"A maneuver such as this one yields very much for little money. The only additional cost is the actual hazard pay for flying of 48 kronor per man," said Major Bertil Lind, chief of air operations in the Bergslagen Military District.

And what did the soldiers think?

Everyone we spoke with had only positive impressions.

"Something new and different at last, unlike the drudgery at home in Orebro. Beside getting a chance to see Gotland, we managed to get out of the last tiresome days of the wargames in Kilsbergen. And the best thing of all is that we now have only 16 more days before we get out of the army!

Eighteen hours after the Third Rifle Company was awakened in Orebro, the unit was home again and could begin the nightly shooting practice and take care of their equipment.

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BRIEFS

MORE CONSCIENTIOUS OBJECTORS--The number of those seeking non-military service increased last year by 11 percent, compared with 1979. The conscription board received a total of 3,836 applications in 1980. Of these, 2,629 were granted, while 570 were rejected. During 1980, 446 cases of refusal to perform military service, and 62 cases of refusal to perform non-military service were reported. [Text] [Stockholm DAGENS NYHETER in Swedish 10 Apr 81 p 37]

FEW INTERESTED IN UNION--Sweden's draftees seem to be uninterested in creating the Draftee Union, the labor organization that the Draftee Conference resolved to form last year. The response to the work of the interim board has been so weak that the board, which intended to institute a national board at a conference in Stockholm last weekend, is now postponing this until December. Mats Ohlin, outgoing chairman of the interim board, stated that the membership drive had gone very poorly. So far, only 742 members have been recruited, compared to the estimated number of 5,000. [Text] [Stockholm SVENSKA DAGBLADET in Swedish 2 Mar 81 p 1] 9336

CSO: 3109/133

PCI'S PROPOSALS FOR INSTITUTIONAL REFORMS

Rome L'UNITA in Italian 29 Mar 81 p 7

[Text] People are beginning increasingly to feel that there is mounting inefficiency and even spreading decay in the state. There is the still-unpunished scandal over the billions stolen and spread around by Sindona. There is anger over the Cantanzaro court decision. There is the spectacle of fisticuffs among cabinet ministers, without even the prime minister's bothering to intervene. There are vast reaches of the civil service teetering on the brink of total confusion. There is the disturbing sequence of events surrounding the D'Urso case. Is there something wrong with the way our country's institutions were designed: government, parliament, courts, banks, regions, communes, the welfare agencies? Or is the flaw in the way they have been used for decades by the men and the parties that have held and still hold power?

We communists submit that the deplorable performance of so many parts of the state is intimately linked with the policy that has been made and implemented over those decades by the people in charge and with the kind of economic and social growth that has prevailed. The crisis in our institutions is intimately connected with the economic and social crisis we see exploding all around us in broad daylight. Anti-communist discrimination has been used to block even an entry of new blood into the highest echelons of the state. For more than 30 years the Christian Democrat Party (DC) has held the reins of political power in its grasp. There are ministers who, in one slot or another, have been in power forever.

To change this, to restore the state to health therefore requires a political change of course, a different kind of national development, and new political leadership. But the essential part of this change is reform -- today -- of fundamental points in our institutions. It is not enough to change the men, if certain organs of the state remain as they are today. Does this mean changing our constitution, shifting to a "Second Republic," as some would have it? We communists reject and oppose that idea. Our nation's constitution embodies a fundamental inspiration which is enduringly valid. Restoring the Italian state to good health means going back on many counts to the spirit and the principles of the constitution, which have been violated.

This is not to say that everything in the constitution is perfect. Furthermore, the constitution of any nation, even a "rigid" constitution like ours, inevitably requires continuing interpretation, the more so in a world which is changing in an ever-swifter and often disconcerting way. This is why we communists, who have stood steadfastly by the standard of the constitution for all these years, say that there are points in it that need development, that call for updating and even for innovation. We hold, however, that these changes and updatings must be used not to change, but rather to breathe life into the fundamental principles written in the constitution: the principle that sovereignty is vested in the people, the duty to combat economic and social inequality, the right of the workers to have a voice in running the state, the affirmation of political democracy and the protection of political and civil liberties, the chance to plan and channel development according to the national interests. We are for reforms that move in these directions. We are opposed to any change inimical to or incompatible with these cardinal points in the constitutional contract. This, in our view, is the criterion that is the bedrock guarantee of democratic "governability," by which we mean governability for the people, at the service of the people.

We have not been idle all these years. Watching the waste, the inefficiency, the corruption that has seeped into public life, we have elaborated a set of proposals. We do not believe there is any one-and-only panacea, large or small. We must be perceptive enough to intervene on the basic points, and astute enough to adopt organic criteria. And reform cannot skip over the government (why hasn't Craxi had anything to say about that? There is a question we would ask him: there is one clear-cut issue). On the contrary: the government is first on our list, because other basic issues stem from it. If we are left with governments born of squabbles over turf (rather than on the basis of clear programs), chopped up into dozens of ministerial fiefdoms as often as not quarreling with one another, whose influence lies in a thicket of undisciplined public agencies, then it will be hard indeed even for parliament to get at the truth, to plan and to make the big decisions, or to supervise the use of public resources. Furthermore, the state is not confined to the city limits of Rome. Today we have regions, provinces, communes, and major entities overlapping such boundaries: if they are not assigned real and clearly defined powers, instead of streamlining the state and making it run more efficiently, they will merely complicate matters further, stretch the decision-making period out even longer, and parliament will smother in a welter of petty legislation instead of concentrating on important issues. If genuine instruments of participation and control are not provided for the people, there will be increased incentive to seek shelter in special-interest scuffling. We are for labor unions that neither fall back into narrow self-interest nor turn themselves into "cogs" in the state, but which move on their own to establish an ongoing dialogue and dialectic with the basic democratic institutions on the great economic and social issues.

We have condensed on this one page the essential points of the communists' proposals. In many instances we have had room to print only

their titles: but behind them there are drafts of legislation, suggestions for initiative, and for struggles. Are they proposals that must be adopted all at once? We are not saying that. Some of them can indeed be adopted immediately, even without new legislation. Others can be implemented fairly quickly if the political will is there. Still others will require time and very broad consensus -- such as the proposal for a unicameral, rather than a bicameral legislature. The main thing is the orientation from which we move, the consistency of what we do. We are for increasing the real, practical weight of the masses of the people. Therefore we are against any change designed to swell still more grossly the power delegated to those on top. A democracy that makes its own decisions is a democracy that changes, that sweeps clean, that makes people count.

On this page we bring you a summary of the major communist proposals, to inform the broadest possible circle of comrades and democrats, and to bring about the broadest possible dialogue.

The Government

Not a Bundle of Fiefdoms
Pare the Ministries Down by Half

The government cannot go on being a tangled briarpatch of political fiefdoms; it must become a collegiate guide for policy and administration.

1. Reform of the Prime Minister's Office. The prime minister is an organ whose tasks include mobilizing and coordinating the collegiate activity of the government. We must discipline and consolidate two mandates: the one which makes the prime minister responsible for unity (Article 95 of the constitution) and the one which gives him duties and powers over his own people and for direct relations with parliament (abolition of the ministry for relations with parliament).

2. Reform of the Cabinet: its collegiality in administrative and policy matters must be restored. Not only must we act on the most serious manifestations of failing cohesion among ministers, but on the whole approach to their work (such entities as the pullulating interministerial committees must be given proper status as service structures and put back into the Prime Minister's Office, where a technical-scientific department for planning would embrace them all).

3. Reform of the function of Ministries (they must be made primarily policy organs) and in staffing. Twenty-six ministries are too many, be the standard that of other countries or that of our real needs. Their numbers must be pruned back to no more than 15 or so. The traditional ministries -- foreign affairs, interior, defense, and justice --will be retained, since clearly nothing can take their places; three ministries for the economy: revenue (finance), expenditures (budget and treasury combined); and productive activities (bringing together industry, commerce, agriculture, state participation, and labor);

the service ministries: communications, social services (health, welfare, environment), and culture (combining education, scientific research, and the performing arts).

4. Thinning the ranks of undersecretaries. This is not merely a question of numbers (there are 57 as of now): their functions must be checked out as well. A few of them may be permanently assigned to posts, but others will have to be appointed only for temporary functions deriving from the government's program and from specific goals.

* * * *

Policy-making and administration are separate matters, but they must be approached together for reform purposes, because the necessary collegiality and synthesis of government is hard to achieve with an administration so rife with discord. The guidelines for Civil Service reform must include elimination of all rigidity, affirmation of greater working autonomy, greater responsibility, and decentralization. We propose the following:

1. Put together an administration that is for goals, not merely for acts, governed by the planning approach, by constant coordination, and by continuous checking of results. What is needed, then, is passage of the omnibus Civil Service Bill, which must be a general policy law, not a rigid, universal model.

2. Reform must reach into every level of government, from the national down to the local.

3. To achieve the basic goal of decentralization, we need peripheral reform of all state administrative agencies, organized around the Government Commissioner (Article 124 of the constitution) resident in the capital of each region, who presides over administrative functions performed by the state and coordinates them with those of the autonomous local authorities.

4. Responsible and answerable management. Administrative structures must move with alacrity, be goal-oriented, and capable of expeditious formation and dissolution. Executive careers must be shaped not on the basis of bureaucratic machinery, but on the basis of duties actually performed. Executives must be held responsible not only for what they do, but for the results of their actions. The PCI has already submitted, on the basis of these criteria, a reform bill for the ministry of education and for the collegiate organs of the schools.

Parliament

A Single Chamber with a Plan for Work

Unprincipled obstructionism by the radicals and the deluge of government decrees have tragically drowned the energies of parliament and hampered reforms which will restore its expedition and its authority. The issue the communists raise -- on the basis of the experience of 30 years in the republic and also the lessons of other representative democracies -- is that of doing away with the bicameral system. The

PCI has always leaned toward the unicameral idea, seeing in the single-chamber legislature the solution most responsive to immediate obedience to the will of the nation, to the certainty of political and legislative findings, and to the timely working of the decision-making process. This solution finds new and cogent support now that we have the broad record of achievement by the hundreds of citizens who have been elected to the regional councils. It is a major reform, which can come to pass only if there is very broad consensus.

The other proposals (which have been spelled out at length in a special seminar) are these:

1. Reduce the numbers of members of parliament, bearing in mind the fact that we now have thousands of representatives of the people at the decentralized level.

2. Parliament must concern itself only with major legislation on principle and policy, broadening the powers of the regions and making prudent use of its powers for selective repeal [illegible]

3. There must be a change in the regulation such as to allow planning for work, even when unanimity among the party leaders is absent. To achieve this, we must give new powers to the president of the assembly in establishing the agenda.

4. First of all, parliament must decide upon and supervise government expenditures: this is a critical instrument for making a new start at orderly planning. For this, we need a real, full session of parliament devoted solely to the budget. In the course of that session, all appropriations for expenditures must be decided upon.

5. Practical guidelines for redesigning the standing committees, which today are far too segmented, after the pattern of the ministries. Better distribution of work between hearing room and floor; the parliamentary mandate must involve a more continuous and binding commitment than do other political obligations.

6. Brisker debate to increase the assembly's productivity, without in any way prejudicing full play for political dialectics. There must be limitations on the length and number of speeches; in half an hour (even a quarter of an hour in debate of individual articles) a speaker can say all that needs saying.

7. Limits must be placed on emergency passage of legislation, which the government has invoked of late beyond all reason, thus de facto preventing adoption of any rational planning. Above all, there must be an end to catch-all legislation that lumps all sorts of disparate bits and pieces together like sausage-meat. The emergency or priority status of each measure shall be determined by special vote. If absolutely necessary, parliament must accelerate the process of scrutiny.

5. All this will require substantial improvement to the parliamentary structures, some sort of machinery to increase the level of information and knowledge on which action and decision are based. Availability of an information system is indispensable to democratic management of the economy.

The Communists repeat their opposition to abolition of the secret vote in parliament, because it affects certain fundamental rights of members and because it would be an expedient pretext for keeping governments in office without real majorities; we further oppose any change in the electoral laws tending to lead away from proportionality. The communists are furthermore opposed to the introduction of the so-called "constructive no-confidence" vote to precipitate cabinet crises. Crises in Italy have invariably come about outside parliament, and are caused by uncertain and precarious majorities: the real problem is to get more authoritative and coherent governments.

The Courts

Codes, Structures, System, Independence

The real roots of the crisis in our judicial system, aggravated by the rising tide of terrorism and of major organized crime, lie in the inadequacy of the codes, in the shortcomings in structure, and in the failure to reform the judicial system.

According to the latest available figures, there are about a million civil and criminal cases now pending; the courts can settle an average of 40 cases out of every 100 per year; the average time between the start and the settlement of a case is 8 to 10 years; our prisons and jails now hold 32,000 prisoners, 20,000 of whom are awaiting trial.

In this situation the plea for justice goes unanswered and the civil process is usurped by the stronger party to exploit the combined machinery of procedural delays and depreciation. Criminal justice becomes a random thing, where major crimes go unpunished while trifling offenses are vigorously prosecuted. And similarly we have a very serious crisis in the organs of administrative justice. In this climate of prevailing uncertainty about the law, the power to set time and venue for trial, and even to make rulings, which is the province of particularly important offices, such as that of the attorney-general, the prosecutors' offices, or a few of the major police courts, can be a matter of critical importance.

The PCI does not feel that this situation ought to be dealt with by curtailing the independence of the courts, which is an intangible value of the constitution. Only a judicial system that is free and independent across the board can guarantee the freedom and independence of the citizen.

What should be done instead is to intervene first at the foci of the judicial crisis to get rid of the gravest problems and restore the

judicial system to operational status within the context of certainty of the law.

At the level of the judicial system as a whole the more urgent reforms have to do with an enrichment of the duties of judiciary councils, with their election on a proportional basis, and the rotation of superior positions so as to avoid long-term concentration of the power to set policy in delicate judicial matters in the same hands. Again, the PCI has submitted its own bills on these questions to parliament, and they are now under debate in the Chamber of Deputies.

As for the criminal justice system, there must be decriminalization of minor offenses, increased competence for the magistrates' courts, and an establishment of justices of the peace who are not career jurists to replace the present conciliators and to deal with minor disputes. We have here a body of measures which the PCI has already submitted, and some of which have already been approved by the Chamber of Deputies, and whose purpose is to lighten the overall load on the judicial machinery: standing to benefit particularly under them are the courts dealing with the most serious crimes -- terrorism, economic crime, and organized crime. They also create the conditions for swift approval of the new version of the criminal procedure code, which right now is the essential penal reform, and which should take effect before the end of 1982. Other top-priority commitments are reform of the criminal and civil codes and prison reform.

For the civil courts, measures must be introduced which will put a stop to the use of inflation as a weapon by the economically stronger party against the weaker. Consideration must therefore be given to extending to the entire civil process the principles which govern labor tribunals, which have already proven their efficacity.

Autonomous Local Governments:

Regions Doing Their Own Planning,
New Powers to Communes

With better than 10 years elapsed since the establishment of the regions, it is time for a close look at their role and the way they work, which will make way for an improvement and a fresh start. The more urgent measures, in our view, are these:

1. A full voice for the regions in shaping the national political will: instrumentalities for providing that voice might be the permanent council of regional presidents as part of the prime minister's office, and an organic link between the regions and parliament.

2. Development of the regions as planning instruments. To this end: establishment of an elastic state budget, so that regional spending would not be limited or set a priori; rounding out regional authority in crucial areas of decision-making (industry and credit).

3. Delegation of some powers to local governments, which would free the regions of administrative burdens.

4. Issuance of the new law on regional finance.

The autonomous region system as a whole calls for a redrawing of functions, with certainty as to responsibilities and available resources. Both the basic pieces of legislation are needed: the one on territorial autonomy and the one on local finances. Reform of the communes, not mere rearrangement: the objective is to make the commune a /general/ organ of government nationwide. As it stands, for dimension and organizational structure, the commune is no longer in a position to perform the major tasks in store for it. To rectify this, the first priority must go to organic reform of local finances so as to guarantee adequate revenues, and along with that a change in the physiognomy of the commune as institution; development, with the consent of the communes, of associations of communes to get beyond the "speck-of-dust" mindset and bring into being entities of more suitable and up-to-date dimensions; substantial decentralization in the big communes and in the metropolises; regrouping and restructuring of offices according to standards of efficiency.

Citizen Participation

Proper Use of the Referendum

During the Seventies, citizen participation was directed along three major and interconnected lines: participation in the channels of political groups (parties, unions); the multiplication of grass-roots associations concerned about the most disparate issues (from scholastic councils to committees for housing to factory councils, etc.), and the referendum.

Social participation calls for a second look, even legislatively, at some of these experiments (scholastic councils, social services), and some diversification in its areas of intervention which would increase its weight; it must be used to get the word around about the real issues; more importance must be set on its function as a spur and a source of advice and suggestion for government; it must be better equipped to keep an eye on government operations and, in some limited cases (locally based services) to experiment with direct citizen management.

Abnormal and distorted use has been made of the referendum: citizens were offered a chaotic olio of goals going far beyond the system of decision-making and of responsibilities. We are opposed to this custom precisely because the referendum can be an important weapon in the hands of citizens. We therefore propose a reform in the discipline of repeal referenda which would make for fairer and more specific use of that institution. Among the points deserving of particular attention are: a) specific definition by law of the criteria upon which the appeal for referendum may be lodged; b) a ruling as to admissibility by the constitutional court must be handed down before, not after, referendum petitions are circulated for signature; c) determine the homogeneity and clarity of the question placed before the electorate,

in order that the response, positive or negative, may be given with full awareness and precision; d) avoid referenda which may produce contradictory effects (as in the abortion referendum); e) we should explore the advisability of subjecting to referendum only laws which have been in effect for an adequate length of time.

Restoring Morality to Public Life

Halt Slicing Up the State

The first problem to attack is the slicing up and parcelling out of the state. The parties have an important role, recognized by the constitution, but it cannot be allowed to degenerate into power-grabs, into the jobbery of state office to advance the interests of factions or splinter-groups, as has been the custom hitherto in the selection of cabinet ministers and in appointments to positions in public agencies. The communists propose:

1. Modifying the law on party financing and requiring published disclosure of income and holdings by elected and appointed officials; the law must provide for strict inspection.

2. Reform of the procedure for impeachment. The unfortunate experiences of the commission of inquiry makes it imperative that all crimes committed by cabinet ministers -- aside from high treason and attempted violation of the constitution -- be tried directly by the ordinary courts.

3. Take up revision of the discipline governing parliamentary immunity, to prevent its being used as a tool -- not to guarantee the safety of members of parliament, but to provide them privileged protection.

4. Write leaner and more specific standards and provide harsher penalties for conflict of interest among members of parliament. We must leave no loopholes, no gray areas, springing from the present regulations, which allow members of parliament to hold positions or interests which might in any way be considered incompatible with their public commitments.

Strikes

A Basic Right: What Rules?

The right to strike is unalienable, and one of the basic achievements of our democracy. For its greater effectiveness and in order to avoid distortions that might affect the overall interests of the workers or other constitutionally protected rights, the PCI is in favor of self-regulation by the labor unions. As for essential public services, we might consider an adequate trial period, and only in case systematic violations are encountered on the part of others, look into the advisability of enacting into law those self-regulatory rules.

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